The Flick affair returns to haunt Kohl, Page 2

World news

Ulster Unionists call for strike

record

PROTESTANT supporters of Norcalled a one-day strike for Monday to disrupt industry, transport and electricity supplies in protest agamst last year's Anglo-Irish

Official Unionist Party leader James Molyneaux announced the strike in the Northern Ireland assembly little more than 24 hours after he and the Rev Ian Paisley emerged from talks with Mrs Margaret Thatcher, the UK Prime Minister, to report they had avoided deadlock with the British Govern-

It appears that hard-line elements, especially in Paisley's Democratic Unionist Party, have held sway over the leadership, persuading them to intensify the campaign against the Anglo-Irish accord Page 16

Duvaller move

French hotel owner Jean Tiffanat is seeking a court order to evict oust-ed Haitian leader Jean-Claude Duvalier from his exclusive hotel in Talloires near the Swiss border, where he has been staying since February 7. Duvalier's stay has dragged on as a series of countries have turned down French requests to give him permanent asylum.

Haiti rights trials

Haiti's new Government said it would prosecute officials involved in human rights abuses under the

iran 'holds peaks'

Iran said its troops had captured 200 sq km of mountain peaks in an offensive into Traqi Kurdistan, while Iraq said Iranian defences on the Faw peninsula in southern Iraq were crumbling. Page 4

Malaysia poll

The chief minister of Sabah dissolved Parliament to seek a new disputes in the east Malaysian state. Page 4

Ex-president's trial

The Bolivian Congress has ordered the trial of former president Luis Garcia Meza, who seized power in a bloody coup in 1980, on charges of genocide, armed sedition, fraud and

Kurds sentenced

A military court in eastern Turkey sentenced 23 Kurdish rebels to death, six to life imprisonment and 151 to up to 24 years in jail for offences including murder.

French reprisal

5T OFF.

France has halted the import of New Zealand sheep hrains and offal in an apparent retaliation for the jailing of two French secret agents who sank Greeapeace ship Rainbow Warrior, the French wholesale

Solidarity setback

The Polish Government bas restored Saturday work in industry, dealing a blow to one of the main gains of the Solidarity free trade union before it was banned.

Peru mayor shot A mayor in Peru's main coca-grow-

ing region was machine-gunned to death by Maoist guerrillas. Page 3 Lebanon car blast

A car bomb exploded at a Palestini-

an refugee camp in south Lebanon, wounding seven people. Holiday on ice

The industrious Dutch took tima off work to watch live, or on televison, the Eleven Towns Race, a marath-on skated by 17,000 people over fro-zen canals of northern province Friesland, it was only the 14th time in 100 years that conditions had been right for the race.

Business summary

Mexico to seek \$9bn package

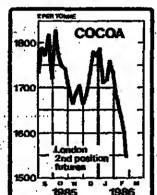
MEXICO is asking Washington to back a \$9bn rescue package after the collapse of oil prices. The Mexican proposal includes a limit on in-terest payments equivalent to roughly a 2-point cut in the rates paid on the country's \$97bn foreign debt. Page 16

CANADA'S budget proposed a wide range of spending cuts and tax in-creases designed to allay international concern at the Federal Government's high budget deficit and large debt volume without provok-ing a domestic political backlash...

LONDON: demand revived for gilts and leading equities. The FT-SE 10 hit a peak of 1,534.6, up 6.9 while the FT Ordinary share index added 6 to 1,270.2 Page 40

WALL STREET: The Dow Jones industrial average closed up 4.24 at 1,698.90. Page 40

TOKYO: shares soared to a record high. The Nikkei average rose 45.40 to 13,821.70. Page 40



COCOA prices fell further on the Londoa futures market as hopes of renegotiating the price supporting International Cocoa Agreement receded with the Ivory Coast's an nouncement that it would not join a new pact. The May position closed £29 down at a 27-month low of

already named Prime Minister detion. Civil servants who returned to Signate, will also hold the Foreign work yesterday were unwilling to 2,2240, SFr 1.8800, FFr 6.8400 and Y161.10. It was on the whole weaker in London, falling to DM 2,2275 (DM 2,244), SFr 1,879 (SFr 1,885) and FFr 6.8525 (FFr 6.9075). But was firmer at Y161.1 (Y180.85). On Bank of England figures, the dol-lar's index fell 0.5 to 117.2. Page 33 STERLING closed in New York at

\$1.4850. It closed 40 points lower ainst the dollar in London to \$1.4865 and was also weaker at DM 3.315 (DM 3.35), SFr 2.7975 (SFr 2.8125), FFr 10.2 (FFr 10.31) and Y289.5 (Y289.75). The pound's exchange rate index fell 0.4 to 75.3. Page 33

GOLD fell \$3.50 on the London bullion market to \$346.75 and was \$5.25 lower in Zurich at \$346.25. In New York the April Comex settlement was \$338.50. Page 32

BRITAIN recorded a current account surplus of £1.14ba (\$1.88bn) in January, the largest for three years, thanks to surging oil exports.

LITTON INDUSTRIES, Los An-

geles-based conglomerate, reported a 37 per cent drop in second quarter earnings to \$47m, on sales 4.5 per cent ahead to \$1.17bn. Page 17

NORANDA, Canadian resources and industrial products group, expects to meet its CSibn (USS1.39bn) debt reduction target with ease. Some CS800m has already been raised from asset sales and new financing and a further C\$200m is expected from current transactions.

PHILIPS, the Dutch electronics company, said its profits fell 17 per cent to Fl 919m (\$363m) in 1985 on sharply lower sales and earnings in the US of integrated circuits and audio-video equipment. Page 17

MATSUSHITA Electric Industrial, the world's largest electronic and electric appliances maker, lifted its group net profits 3 per cent to Y248.45bn (\$1.4bn) in the year to November 20 1985. Page 19

Danes set to cast pragmatic vote for EEC reform

ALL THE public opinion polls, teleence research, straw polls and taxi drivers say the same: Denmark will today vote resound-ingly in favour of EEC reform, writes Quentin Peel in Brussels. It is an outcome which, on the face of it, goes against years of deep-seated Danish suspicion about any move to streagthen the institutions of the European Community and reinforce the slow progress of integration among the 12 member states.

A solid Yes vote in today's referendum implies approval for the pro-cess of European integration – at a very slow pace. It also means a positive response to a complex package of reform measures - proposed amendments to the Community's

MRS CORAZON AQUINO in her

first day as undisputed President of

the Philippines, unveiled her new

Cabinet yesterday as Tuesday's cli-

mactic ousting of Mr Ferdinand

Marcos gave way to a mood of

The announcement came as life

returned to normal throughout the

country although thousands of peo-

ple continued to occupy the presi-dential palace. Banks and shops re-

opened, no fighting was reported

and Marcos loyalists in the military

As messages of congratulations powed in from foreign govern-meats, activity picked up both in

the local stock markets and in Phi-

lippine stocks quoted abroad. Trad-

ing in some shares in Manila had to

be frozen after prices had risen the

maximum allowable 40 per cent. The new Cabinet brings together

politiciaus, business executives and

professionals who have consistently

prosed the Marcos Government

At least five of them were once

Vice President Salvador Laurel,

uino who is head of Benguet Cor-

jailed by the former leader.

est mining concerns.

national reconciliation.

ended their challenge.

stand and a profound disappointment to many other member states. It should clear the way for two other member states - Italy and Greece - to lift their objections, and for the package to be submitted to all national parbaments for ratifica-tion before it actually becomes EEC law, probably next year. Only then will it be possible to implement the measures to full, such as more majority voting rather than a laborious search for unanimity among the 12,

pean Parliament in decision-making. The referendum campaign in cused on the reform package, for all Common M Denmark, launched by Mr Poul its complexity. Yet the solid core of grounds the Schlüter, the Prime Minister, after No voters is not concerned about conspiracy.

mood of reconciliation

long opposed to Mr Marcos, is made

Justice Minister. Two others, Mr

Aquilino Pimeatel and Mr Ramoa

Mitra, become Local Government

and Agriculture Minister, respec-

tively.
Mrs Aquino appointed Mr Jovita

Salonga, a lawyer and politician, to

head a new presidential commis-

At a press conference yesterday

"After that I am keeping my options

Government, less than 24 hours of-

Mrs Amino received a boost ves-

net ministers who served Mr Mar-

open," she said.

eliminate graft and corruption.

as tension yields to

BY CHRIS SHERWELL AND SAMUEL SENOREN IN MANILA

and more involvement for the Enro-

constitution, the Treaty of Rome - he was defented in the Danish Fol-which are both difficult to under-keting on the issue in January, has keting on the issue in January, has not been so much about the prestige reform measures for Mr Schlüter has successfully shifted the battleground to the basic question of Danish EEC membership and bow the Community should

develop in the long term. The opposition parties, led by Mr Anker Jorgensen's Social Demucrats, seem to bave miscalculated badly on how the voters would translate their vague misgivings about Brussels and all its works into a specific vote.

Forced on the defensive, they bave tried to keep the debate fo-

Presideat's influeatial wife. Regard-

ing Mr Marcos himself, Mrs Aquino

indicated that she would not seel

Mr Juan Ponce Enrile, the only

member of the team in Mr Marcos's

last Government, was confirmed as

Gen Fidel Ramos, the armed for

Mrs Aquino's supporters last week.

after a 13-hour stopover at a US air

base in Guam. Officials in Washing-

ton said Mr Marcos was expected to

stay in Hawaii for several days while he decided whether to take up

the Reagan Administratioa's offer

House spokesman, said the Admin-

Marcos's millions, Page 4;

Editorial comment, Page 14;

Feature, Page 14

of a safe haven in the US.

his extradition from the US.

sion on good government, which Minister of National Defence, Al-

will investigate the stashing of though he is likely to remain a wealth abroad by Mr Marcos and member of Marcos's party, he

his associates and work to reaffirmed his support for Mrs Aq-

uino yesterday.

the detail, but like Mr Schlüter More popular is the very real con-about the basic issue of EEC cern about Denmark's high envirmembership.
As a result, the whole campaign

bas been conducted in an air of unreality; precipitated by domestic posues which are not on the ballot paper, and struggling to involve the wider electorate in questions that leave them cold.

Yet some of the issues in the package are capable of arousing strong passions.

There are those on the left who ppose the whole process of European integration and the ambition of member states to complete the Common Market by 1992 on the grounds that it is all a capitalist

the fear they will be eroded by majority voting of the other members states. Danes are convinced they have the highest standards for safe-ty at work, for pollution control and for lood hygiene, and that EEC rules on free competition and com-mon standards can only erode

Then there are the opponents of more power for the European Parliament, which would get more chance to propose amendments to EEC decision under the reform

> as a dangerous incursion on the Continued on Page 16

package. In Denmark, that is seen

Aquino names Cabinet Retirement-age sex bias ban by **European Court**

BY ROBIN PAULEY IN LONDON AND RAYMOND HUGHES, LAW COURTS CORRESPONDENT, IN LUXEMBOURG

Human Settlements, the post held by Mrs Imelda Marcos, the former RETIREMENT arrangements for more than 20m public sector employees in five EEC states might bave to be changed after a European Court ruling yesterday that Britain's practice of compelling women to retire five years earlies than mea breaches the Communi-

ty's directive on sex equality.

The directive, and therefore the judgment, does not apply to the private sector. As EEC law permits employers to discriminate between pension rights for men and women, the ruling does not affect public sector pension rules or the age at which they become payable.

Mrs Aquino said she would respect the US-Philippine agreement on So-bic Bay naval base and Clark Air Force base until it expired in 1991. But the ruling has profound implications for Britain and four other states breaking the same directive -Luxembourg, Belgium, West Ger-many and Italy. The first three services in the armed forces. They included several younger, reform At the same press conference minded officers whose support for Vice President Salvador Laurel of the hreak was crucial to its success. minded officers whose support for have the same public sector retirefered an amnesty to all political of-fenders, including communist bett included a recovery for the guerrillas who gave themselves up. shares of San Miguel Corporation, The announcement of the new which was the object of a boycott by ment ages as Britain - 60 for wom-ea and 65 for men. In Italy, women retire at 55 and men at 60 in the public sector.

The ruling is particularly embarter Mr Marcos's departure, was an indication of the urgent need for action. Civil servants who returned to Marcos flew to Hawaii yesterday rassing for Britain as it has a histo-ry of defeat to the European Court over sex discrimination.

Earlier this month the UK Gov rnment introduced a Sex Discrimination Bill in the House of Lords to try to comply with a finding by the court in November 1983 that Britain's 1975 Sex Discrimination Act failed to implement the equal treatment directive in a variety of ways.

Mr Larry Speakes, the White The bill, however, does not cover yesterday's court findings on a test istration was working with Hawaicase brought by Miss Helen Maran authorities to arrange security shall now 68.

for the exiled Philippine President. Yesterday's judgment, which con-firmed last September's ruling by Sir Gordon Slynn, the Advocate General, said that the 1976 EEC sex

equality rule meant "the general policy involving the dismissal of a woman solely because she has at-tained the qualifying age for a state pension, which age is different un-der national legislation for mea and women, constitutes discrimination on grounds of sex."

This means that whatever retirement age is set for men in the public sector must apply equally to women. Reducing the retirement age for both to 60 would cost more than £2.5ba (\$3.7bn) a year in Britain alone if men were not to be left without a state pension. Even com-promising on 63 would cost more than £500m a year extra. If an extra cost were to be involved, the equal retirement age would have to be

just over 64. Some British ministers, notably Mr Norman Fowler, Social Services Secretary, and Mr Kenneth Clarke, Paymaster General, favour flexible retirement policies such as the "dec-ade of retirement" idea raised in Mr Fowler's discussion document oa social security reform. Mea and women would have equal rights to ages of 60 and 70 or, less likely,

between 55 and 65. The degree of upset which the ruling could cause to both the public and private sectors was appareat from reactions in Britaia last night.

A spokesman for the Employment Department said the implica tions of the judgment would have to be studied very carefully before any more amendments to the 1975 Act were contemplated because any such changes could provoke serious knock-on effects in the private

Egyptian tanks move to quell security force riots

EGYPT was rocked yesterday by its worst outhreak of political violence since the assassination of President Anwar Sadat in 1981. Thousands of troops, backed by tanks and ar-moured personnel carriers, moved into central and suburban areas of Cairo after a day of rioting by uni-formed members of the paramili-tary Central Security Forces.

Heavy gunfire was beard in several parts of the city, which has been placed under indefinite curfew, and the airport closed to in-

coming flights.

Three luxury hotels were at-Three luxury hotels were attacked, hundreds of cars wrecked, and many shops looted during the day-long rampage by men wbose main responsibilities have been guarding official buildings, embassies, hotels and other key installations. In some places the rioters were joined by civilians wielding woodea staves.

The immediate cause of the riot-

ing was said by officials to have been a decision to increase their period of service by 12 months. Officials said this was a false rumour.

But the speed with which the troubte spread to other parts of the capital and to the southern town of Assyut. Sowhaq and Ismailia oa the Suez Canal, suggested to some for-eign diplomats that the revolt had beea orchestrated. They speculated that the generally poor educational level of the conscripts and their low pay made them a astural target for

Islamic fundamentalist groups,
A grim-faced President Hosni Mubarak warned in a brief televised statement last night that conequences would follow from the day's rioting and claimed the army was bringing it under control. He listed the places where the worst fighting had been taking place and suggested that "certain elements" had been working for such an out-come, even if they had not themselves been directly involved.

President Mubarak stressed that no foreign tourist had been injured in the fighting.

The official toll of 15 dead and 300 wounded is expected to rise sharply as special commando units flown to by helicopter moved to root out fur-ther pockets of resistance. The worst fighting bas occurred

around the maia barracks of the Central Security Forces, particularly at Giza, near the Pyramids, and in the southern suburb of Ma'adi. where many expatriates live. Near Ma'adi, the rioters stormed

oae of Cairo's main prisons, freeing many of the inmates, including political detainees.

Continued on Page 16

Feruzzi may buy British Sugar

The new Cabinet list is signifi-

BY ALAN FRIEDMAN IN MILAN AND ANDREW GOWERS IN LONDON

Affairs portfolio. The key Finance make decisions and there was a Ministry post goes to Mr Jaime risk that government would grind Ongpin, a close adviser to Mrs Aq- to a half.

poration, one of the country's large terday when a dozen former Cabi-

Of the other economic appoint cos offered their co-operation They

ments, Mr Jose Concepcion, an in-dustrialist, becomes Trade and In-mayors had been asked to take in-

dustry Minister, and Mr Alberto structions from the new Govern-

Romulo is named Budget Minister. ment. Members of Mr Marcos's par-

In a significant move, Mr Jose Ferty in the National Assembly were nandez is reappointed Governor of also expected to co-operate.

Mr Neptali Gonzales, a politician cant for not including a Minister of

food and agricultural group which cent, the largest single stake. coatrols Europe's higgest sugar con-coatrols Europe's higgest sugar con-planerate, is understood to have of Ferruzzi's Eridania Italian sugar reached agreement in principle to
make a cash offer for S&W Berisford, followed by a leveraged management buy-out of all its assets exlargest. The addition of British Sucloding the British Sugar gar would bring the total EEC quota British Sugar would take on £200m

subsidiary. Under the agreement, to be presented formally to the Office of Fair would take over about £200m of its debt.

Ferruzzi, based in Ravenna, is

THE FERRUZZI group, the Italian Ferruzzi's shareholding to 49.8 per isford's current share price of 188p.

cent of the European total. Although complicated the deal

Trading within the next few days, would effectively relieve Berisford would make a cash offer for the Ferruzzi would ultimately pay a toof about £200m of debt which it astal of about £400m (\$596m) for Britsumed in 1982 to acquire British Suay is believed to be considering a ish Sugar. The Italian company is gar. understood to be willing to pay Ferruzzi, chaired by Mr Raul about £200m for British Sugar and Gardini, appears willing to pay in Ferruzzi, chaired by Mr Raul cash. The Eridania sugar subsidiary recently launched a L800bo

Italy's third largest private sector and the Ferruzzi family subscribed group in turnover terms after Flat for balf. and Montedison. It has annual revenues of about \$6.5ba and is larger is thought to be interested in using £140m. than either Olivetti or Pirelli. How-ever, the family-held group has only dustrial applications instead of contwo subsidiaries quoted on the Mi-lan bourse and has never published
a consolidated balance sheet.

Sumer and food industry sales.
Berisford confirmed yesterday it
had received an approach from Fer-Last week Ferruzzi paid L50bn ruzzi but said discussions were at (\$32m) for a 9.5 per cent stake in an early stage. If an offer was Beghin-Say, the French sugar and made, it said, the price would be un-

According to executives close to the negotiations, the complex Ferruzzi-Berisford deal would function in the following manner: British Suger would first pay an

extraordinary dividend of £200m to

its parent company - Berisford.

to 2.74m tonnes a year or 22.5 per of bank debt to finance this

price of about £340m. • immediately after the takeover of the Berisford group by Ferruzzi, Mr Ephraim Margulies, Berisford's chairman, would launch an agreed leveraged management buy-out for Berisford minus British Sugar. Nerights issue on the Milan bourse gotiations place the value of this If the deal goes through, Ferruzzi management buy-out at about

 Ferruzzi would then be left with British Sugar, £200m of British Sugar debt and a net cash cost of about \$200m, bringing its total investment in British Sugar to about had received an approach from Fer-

> Lex, Page 16; Background, Page 21

The Message is Clear

"...EUROPEAN FUND UP 73% STOP UK EQUITY FUND UP 49% STOP AMERICAN FUND UP 37%... INTERNATIONAL FUND UP 37% AND MANAGED FUND UP 30% STO MORE TO FOLLOW ..."

In plain terms, the investors with Scottish Life's unit-linked funds have seen their investments increase dramatically since their launch in March, 1984.

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774 Unit-linked life assurance funds according to Planned Savings. Over six months the same survey also showed the Pacific Fund 2nd out of 48 similar funds, and the UK Equity Fund 6th from 116.

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The Scottish Life Assurance Company,

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US: alarm bells over oil Lex: Berisford; Philips; US Editorial comment: City of Technology: need for better London; Gorbachev 14 project management 27 Philippines: reality starts to Management: Japan's mania

spects for UK tax cuts ... 15

BY PATRICK COCKBURN IN MOSCOW

THE SOVIET leader, Mr Mik- monagers. This will limit the bail Gorbachev, at the opening of the Communist Party congress in Moscow on Tuesday, sald that be favoured greater flaxibility on prices, a much greater role for demond in conincentive that the profit level of enterprisea will play a greater role in determining earnings. sumer industries and the ability of collective farms to market produce surplus to their plan.

His frustration at the inertia cracy was very evident as he oullined measures for reform of the economy. But in the continuing debate in the Soviet Government about

tbe extent of economic change needed, Mr Gorbachev firmly allied himself with the radicals, particularly io agriculture for which Mr Gorbacbev was formerly responsible.

Gorbachev warned that ministries and departments still made quontity not quality of production their goal "erecting new facilities under the guise of modernleation and stuffing them with outdated equipment."

The Soviet teader took as an example of this the Brussel.

example of this the Bryansk engineeriog works walch builds diesel engines for raitway locomotives and is now in the middle of a 140m rouble £130m) retooling programme. "It turns out that the pro-

gramme does not provide for the introduction of progressive technologies, the number of workere hae already been in-creased by nearly 1,000 and the yield per unit of assets bas dropped," Mr Gorbachev rom-plained. "The worst part of it all is that they intend to use the new production capacity to manufacture an outdated motor, although a more efficient model has been designed and tested." Instead of such new projects on green field sites Mr Gorba-

chev emphasised: The re-equipment of existing plant for which be said 200bn roubles (£180bn) is to be spent in the next five years.

• Centrolisation of strategic planning and investment but greater autonomy for the day-to-day running of enterprises by

of the country, eccording to Economy Ministry officials in

Athens, Restrictions on capital

apply, however, ot the ministry's discretion for residents of

Eronomy Ministry officials sald that they expect a draft

presidential decree designed to bring Greek legislation parti-atly into line with that of the

EEC which is currently in the

pipeline to go into effect in

BY JAMES BUXTON IN ROME

the country's balance of pay-

The pressure of speculation,

Monetary System, was such that

bank lending restrictions on

January.

Greece until November 1988.

operational control of Gosplan the state planning organisation Cost accountancy leading to greater cost efficiency at all levels of enterprises with the

 Any real move to cost effectiveness and cost eccounting means greater flexibility on means greater nexionity on prices. The price of basic foodeluffs, rent and transport are all kept at a low level by subsidies, but Mr Gorbachev said,
"ceiling prices and cootr.):t
prices ere to be employed more
widely."

• Light industry and the manufacture of consumer goods ore to have substantially greater autonomy. "Their task is to react quickly to consumer demand. The range of targets being eharply limited for such enterprises," said Mr Gorbacbev. They will sign contracts with

They will sign contracts with trade organisationa instead of having to meet gross targets for output as envisaged in the consumer programme published only last year.

Although Mr Gorbachev's tone was radical in advocating economic reform be is not quite specific on bow he intends to proceed in such key areas as price reform. The slightly con-tradictory form of his speech on the economy also argues continuing differences of opioion within the different departments of the Central Committee on the degree of organisational change necessary.

The removat of maoy long-established ministers and managers over the last year bas made it difficult to implement measures of reform until the new men bave found their feet. In the glant Foreign Trade Ministry, for instance, the new minister, Mr Boris Aristov, re-placed last year the 77-year-old Mr Nikolai Patotichev who bad beld the job for 27 years. This may portend change but in the short term it bas frozen schemes for reform

Editorial comment, Page 28

tiations last November for a

Community loan to help Greece face its balance of payments crisis. The Greek authorities decided to move ahead as quickly as possible on freeing capital movement for residents of other EEC countries in the

bope of encouraging foreign investment, ministry officials said. According to Bank of Greece

figures released yesterday Greece's current account deficil reached \$3.288bn in 1985, com-pared to \$2.13bn in 1984. The Eronomy Ministry has set a

January, a higher deficit than

monthly figure was L1,586bn.

The bank attributes the de-

The bank also said that its

the end of Januery. This represents a fall of almost Lt0,000bn

Greece to free capital flow

GREECE IS close to introducing exchange controls by the end legislation which will allow of last year. According to minis-residents of the other 11 Euro-pean Community countries to an extension of this deadline move capital freely in and out by the Commission during nego-

Under the terms of its treaty deficit target of \$1.7bn for 1986. of accession in 1981, Greece The trade deficit in 1985 should have lifted all foreign widened by 16.6 per cent,

THE BANK of Italy yesterday day that Italy suffered a deficit revealed figures showing the on lis overall balance of payextent of the damage ceused to ments of L3.296bn (£f.45bn) in

ments and official reserves dur-ing a period of heavy specula-tlon against the lira in Decem-ber, 1995, and the first part of L8,516bn. In December the

caused by operators expecting a devaluation of the Italian on the foreign exchange currency within the European markets.

on January t6 the central bank official reserves including those had to reintroduce controts on of gold totalled L61.963bn at

foreign exchange Iransactions. sents a fall of almost Lt0,000bn
The central bank said yestersince the end of November,

Italy's speculation losses

for residents of EEC

BY ANDRIANA IERODIACONOÙ IN ATHENS

Aerospatiale bides its time over Westland

By David Marsh in Paris

FRANCE believes tt bas lost battle over the future of Britain's troubled Westland beticopter group—but not necessarily the war.

Aerospatiale, the French

Aerospatiale, the French state-owned aerospace group and a member of the European consortium which failed this mouth to prevent Westland being taken over by Sikorsky of the US, believes the final word has not yet been said over the Westland

According to Mr Pierre David, industrial director at Aerospatiale, who repre-sented the company during the ronsortium's long drawn ont efforts to put in a rival bid for Westland, the crunch will come in about 16 months'

Mr David says the future of Sikorsky'e links with West-land depend crucially on whether the UK Ministry of Defence reverses its present polley against buying the Sikorsky Black Hawk battle-field transport helicopter.

field transport helicopter.

Over the next year or so, says Mr Dovid, the British Government would be subjected to "blackmail" by the Slkorksy/Westland group, which will threaten that jobs will be lost in Westland factories unless the Defence Ministry changes its mind on Block Hawk.

Although he admits that he has no great hope that such an ontcome will octually take an oncome will octually take place. Mr David says that if the Defence Ministry stuck to its guns, this could lead to the withdrawol of Sikorsky from Westland, "They have no love fer England," be says.

In that case, the European consortium would be willing to stage another rescue bld for Westland, although Mr David warns that in the future there would be less moncy on offer from the

"If ever Britain shows an npsurge of dignity—a refusal to become the vassal of the Americans—then we will accept them," he says, "If Sikorsky withdraws, Europe will not be rancorous." But be warns that, next time round (if there is a next round (it there is a next time), the European com-panies in the consortium— which included British Aero-space, GEC, Messer-schmitt-Boelkow Blohm and Agusta— will no longer be wilting to put up the £30m which was on offer in the consortium's bld "so that the British ocrocarry ont its restructuring."
Mr David's fighting talk underlines the bitterness felt

ot Aerospatiale over the Sikorsky takeover. It also demonstrates the foreboding fett in the French aerospace industry the Sikorsky's success in the UK could eventualty lead to the Black Hawk embarking on to the

Continent.
The blannual Franco-German summit which starts in Paris this afternoon will give French and German Defence Ministers a chance of drawing np a common line over the affair.

In particular, the takeover

of Westland knocks a bole in the five-nation accord reached last year among France, West Germany, Britain, Italy west Germany, Britain, Italy and the Netherlands on developing a joint military transport helicopter, the NH-90, for the 1990s.

Since the NH-90 will be in direct competition with the Black Hawk, Westland, up to now the British partner in the grouping, is likely to wilhdraw et the end of the year. Aerospatiale believes that a possibility of keeping the five nation grouping alive would be to bring in another UK rompany—such as British Aerospace or Shorts—to replace Westland, although it stresses that this is very much a British decision.

Parliament, Page 12

Rupert Cornwell reports from Bonn on the revived threat to the West German leader

The Flick affair becomes the Kohl affair

SUDDENLY THE Flick affoir bas become the Kobt affair. The decision last week by the Koblenz public prosecutors to open a criminal investigation into alleged false testimony by the Weet German Chancellor

the Weet German Chancellor bas turned a scandal which aeemed to be dying gently beneath the weight of its own complexity into a direct threat to the bolder of the country's highest pollticat office.

Mr Koht himself and his entourage profess equanimity. But in the ranks of his centreright coalition, facing three state and then a federal election within the next 12 months, it is not so. For if the worst comes to the worst and formal charges are brought against the Chancellor, he may have no Chancellor, he may have no choice but to resign.
Whether things come to that,

bowever, is, to put it mildly, unclear. The air is thick with claims by Kohl supporters that his plight is a contrived smear. designed to discredit the Government, which bad hitherto seemed impregnoble, just as electioneering starts in earnest. And 80 per cent of such investigations — an unprecedented "information kit" prepared by a nervous government pared by a nervous government press office reassured foreign correspondents after the bombsbell from Koblenz—end without charges. The caution displayed thus far by the Social Democrats (SPD), the main opposition party, shows that they too are unsure bow matters will develop.

One man, though, has no ench iobiblitions. For Mr Kohl's predicament stems directly from

member of the Bundestag com-

member of the Bunnesia committee act up to examine the Flick political payments affair in 1984 and 1985.

The Chaocellor was but one The Chaocellor was but one of a bost of political luminaries who trooped uocomfortobly before it, to testify how much they had or had not received from the former industrial group headed by Friedrich Karl Flick on behalf of their parties.

Mr Koht bad been Prime Mini-ster between 1969 and 1976. On each occasion, Mr Schily main-tains, he did not tell the truth — and he took bis charges to the judiciary.

accusation is still belog considered by the prosecutors in this week.

At the height moreover of the

Bonn

But, as everyone now knows, Rhinetand Palatinate prosecutors in Koblenz have already decided to took into the charge arising from the Mainz testimony: that Mr Kohl was not—as be abruptly stated last July—eotirely ignorant of a supposed charity called Staatsbürgerliche Vereinigung 1954 e.v., io fact a laundry for donations to his Christian Democrat (CDU) party.

At the helght moreover of the Flick hearings in Bonn, in November 1984, the Deutsche Bank, thot pinnacle of the German establishment, aumounced that it had made (above board) political donations of DM 29m since 1957. The favourable tax treatment of such contributions was known and approved by the parties, by ministers and other officials.

to his Christian Democrat (CDU) party.

The accueation may be hard to prove: the Chanceltor in written evidence before and after his appearance in Malnz in effect conceded that he did know of the existence, if not libe fuoction, of the organisation. Nor do the bumbug and hypocrisy which have long surrounded the whole issue of party fioancing in Germany help. party floancing in Germany help

That iodustry has poured huge sums into party roffers, often through the channel of front charitles, offering both tax deductibility on the contri-butions and convenient enonymity, hae long been an open secret. All established parties bene-

His evidence there, on November 7 1984, was followed by an appearance last July before a simitar panel of the state Parliament in Moinz, cepital of the Rhineland Palatinate where the affair. Mr Friedrich Hol-stenberg, a former SPD trea-surer, has estimated thot be-tween them, the major parties have improperly received DM 500m since 1948.

iobibltions. For Mr Kohl's predicament stems directly from the judiciary.

In the Bundestag, Mr Schily a lawyer from the claims, the Cbancellor lied when the denied receiving two paying and the way of the denied receiving two paying the denied receiving two paying and probable to the denied receiving two paying the denied received donations through phoney charities was oullawed by the constitutional court twice, in 1956 and 1979. But the tax authorities did little: "Everyone knew about it," declored Mr Franz declored

helped meet the partiee insatihelped meet the partiee insatioble appetite for money by raislng the state's direct contribution to their coffers to DM 5
per vote won. from DM 3.50.
But it simultaneously stipulated that all donations of over
DM 20.000 should be published,
and an effort the following
year—promoted by Mr Kobl—
for o general amnesty on tax
evasion over donations was
ignominiously abandoned amid
public uproar. public uproar.

None of this, however, answers the specific question. After Count Otto Lambsdorff (the former Economics Minister now facing triat for allegedly hoving taken bribes from Flick) and Mr Rainer Barzel (the former Bundestag President suspected of having received



Mr Schily: formidable

in the charges" that would see through this "evil strategy be-bind a campaign against o suc-cessful Chancellor." Even so. 61 per cent of the populace, according to a poli this week, reckon ha should resign if chorges are preferred.

In foet, political calculations could be as decisive as moral ones. No-one knows bow long the investigation will last (though some say two months). Speedy absolution would leave few scars, but the longer the nucertainty the greater could be the risk for the campaign for the federal election in January

The outcome of the important state election of 1986, in Lower state election of 1936, in Lower Saxony in June, could play a role too. Nor is it much comfort for the Chancellor that his coalition, still on target for victory in 1987 according to the polls, easily outstrips him in popularity. The wait for the word from Koblenz may be the biggest test yet for Mr Kohl's celebrated unflappability.

Nato meets about \$250m US arms fund

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

THE NATIONAL armaments priority, directors of Neto's 16 members

Democratic Senator Sam Nunn, is designed to stimulate joint research and development of high technology weapons aimed at plugging what Nato sees as a gap in its conventional

Armaments' directors meetlng today will-be examining a list of nearly 30 such projects. ranging from new short-range anti-radar missiles to electronic warfare systems, in an effort to

Their conclusions will be meet in Brussels today to try
to determine bow to allocate a
\$250m US fund for interalliance arms co-operation.

The fund, which was set up
on the initiative last year of
but the state Careta San Number

Their conclusions will be
emported to and probably
endorsed by a special meeting
of deputy defence ministers in
April.

The new US fund, endorsed
by Congress, is being admini-

by Congress, is being admini-stered by the Pentagon, which is currently working on its own programme to boost the so-called two-way street in defence trade between the US and its Nato allies.

pal carrot in current US
attemps to get Europe to do
more in its own defence. One of
the sticks was 0 1984 amendment by Senator Nunn which threatened US troop with participation. drawals and other penalties Reaction of unless such improvements were made.

set aside to allow joint evalua-tion of US conventional arms alongside those manufactured by European companies.

The fund is seen as the princi-Defence Secretary following the Turin agreement between Britain, Germany, Italy and Spain, to build the new aircraft. France which pulled out of the negotiations, has also suggested

Reaction of the four govern-ments so far bas been to ask Paris and Washington to pro-vide more details of the sort of Nato allies.

The creation of the fund is a direct result of an amend the four nations involved in involvement sought. Clearly the ment to the US 1965 Appropriations, Bill tabled by Senalor Nunn. Some \$200m has been set counterpart, Dr Donald Hicks, asside as seed capital for joint assistant secretary for research US/European R and D programmes with o furthe \$50m gins of the Brussels meeting to research the project and move into full assistant secretary for research and engineering, in the margins of their two allies.

Institule andt he Royal Institute of International Affairs. **Poehl criticises currency**

Western effort of provide some relief fort be Gulf producers from the traumas of foling oil prices and the impact of the Gulf war. In particular, steps sbould be devised to assist these states, including Iraq and Iran, to develop their produc-tive economic bases, the study

says.
It points out that, while the conservative Arab states of the Gulf have shown great resilience in the face of a series of crises, it would be unwise to assume thot the degree of stability ochieved will continue into the

next decade.

*Published by Gower Publishing Company. Price £19.50.

THE EUROPEAN Commission has given its reluctant blessing to a French Government subsidy plan for the Chapelle-Darblay newsprint manufacturer, which bas e major plant in the Normandy constituency of Prime Minister Laurent Fobius.

re-organised rescue plan, redncing the net substdy. element from 35 per cent to 20 per cent of the company'o restructuring plans.
Chapelle-Darblay, which pro-

duces 80 per cent of the newsprint in France, is spending FFr 3.2bn (£311m) on modernising its plants at Grand-Couronne, in Mr Fabius's constituency, end Saint-Etienned at Braueray. The France Constituency of Saint-Etienned at Braueray. du Rouvray. The French Government is to provide FFr 1.1bn in subsidies and FFr 250m in loans, according to the tatest plan.

France sets one condition for participation in SDI

condition on French companies toking part in the US Strategic Defence Initiative (SDI) research programme will be that American secrecy rules should work for the French defence effort, Mr Hubert Curien, the French Research and Technology Minister, said yesterday. Mr Curien said that several

French industriolists already had "extremely close contacts" with the Washington-based SDI Organisation (SDIO) despite the Paris Government's reservations about the strategic concept of the programme.
Mr Curlen, speaking at a

lunch debate organised by the US Chamber of Commerce, said he hoped that the SD10 would place "a lot" of contracts in Europe. But be doubted wbether these would be enough to divert companies and researchers from the Eureka European technology co-operation progromme put forward by France last spring. Mr Curien's remarks follow a recent change of ettitude on SD1 in Paris, which has now

THE Paris Government's sole negotiate SDI contracts. negonate SDI contracts. A senior SDIO official, Mr John Gardner, held a meeting in Paris last week with about 70 defence industrialists and military scientists.

Mr Curien said that, although nologies such as lasers bad to be mastered wbether the aim was to build a modern clothing factory or to develop a system to shoot down missiles.

Mr Curien sald It would be "catastrophic" for Europe, both eronomically and on an intellectual level, if young European scientists gained the impression that big scientific programmes were only being put into place in the US. Concerning the question of participation in Eureka by non-Europeen companies, he said this would take place only

if European concerns putting together projects specifically favoured the entry of a group from outside the continent, SDI in Paris, which has now its interest in joining the given formel enrouragement to Eureka programme along with estimated, "said Mr Poehl in French companies wishing to a number of other countries o speech prepared for e cere-

Canada bas recently indicated

BY JOHN DAVIES IN FRANKFURT

target zone proposals

the monetary system by setting exchange rate target zones for for leading currencies.

He was also reflecting the

international conference exchange rates. The Bundesbank believes tt exchange rate zones because of different national interests. It

break down if countries refused

conform with exchange rate targets,
"The difficulties with target
zones should not be underestimated," said Mr Poehl in

FUNDAMENTAL economic mony to confer an honorary factors rather than target zones degree on him at Tel Aviv for currencies are the key to more atable world monetary system, occording to Mr Karl Otto Poehi, president of the target zones, Given the buge for currencies are o more atable world monetary system, occording to Mr Karl Otto Poehi, president of the Bundesbank, West Germany's central bank, Central banks would mr Poehl's remarks amount of proposals of proposals a more "hazardous" time if tar-

get zones were kept secret, he said, but it would be hard to

keep them secret, especially if

they triggered government pragmatic West German attitude to President Reagan's
recent direction to the US against "a system based on
Treasury to consider calling an target zones for all the major

currencies
Mr Poebl said exchange rates were likely to be less volatile would be difficult for all lead- only if domestic economic poll-ing countries to agree on cies were right. For this reason,

be welcomed signs that US recognised that exchange rates should be more consistent with economie fundamentals. clear whether the Group of Five decision last September to force down the US dollar bad ushered in "o new era of concerted exchange rate management."

David Housego reports on the negative effect industrial closures have had on left-wing support

Steady decline of Communist vote signals change in northern France

this month, Mr Michel Dele-barre, the Socialist Minister of Employment, eet out on an election tour of the industrial centres of the north of Fronce. To his surprise, there was not Communist demonstrelor in

A few days before, when the last plt closed at Lens, once the coal-mining centre of the region, the Communist-led CGT trade union mustered only about 60 dameastrators to protest egainst this historic closure. In a region where closures in the stel, coal and shipyard industries bave pushed unemployment up to 13 per cent, the most striking phenomenon of the election campaign is the uninterrupted decline of the Communist Party.

In the shabby gioom of the Communist regional head-quarters in Lille, Mr Yvan Renar, Communist aenotor in the north, speaks of an attitude The Socialists expect to do



" resignation " and " disenchantment " among "those who should fight." Five years of Socielist rule, he says, bove produced a political apathy reminiscent of the last years of

the Fourth Republic.
The Communist vote in the north, a traditional atronghold of the French left-bas sunk from 28 per cent in the parlia-mentary elections in 1976 to a likely 15 per cent next month. in the regional terms the Communists were unable to profit from their participation in the Government between 1981

and 1984, when their members were disorientated by the U-turns in policy. "We suffered turns in policy. "We suffered from a crisis of identity," says They have equally failed to benefit from pulling out of the Government and from attacking the Socialists for the closures in industry and the rise in un-employment. "The rank and file don't understand the switches in

policy and the extremist positions adopted by the CGT," Mr Delebarre claims. Mr Albin Chalandon, the former Gaullist minister and chair-man of Elf-Aquitaine, the oil company, who heads the list of candidates in the north for the oco-Gaullist RPR, believes that

irreversible. He argues that the

decline

party's

better than the 26 per cent they recession has achieved a shift polled in 1978. recession has achieved a shift in attitudes among the work in attitudes among the work force in industry, a "cultural revolution" with which the CGT bas not kept pace.
He thinks thet the Com-

munists will bold on for the moment to traditionel flefs in the "smokestack" industry areas -but will lose these as well when the present generation of party faithful disappear.

He sees the strength of the party in the past as stemming in part from the paternalitic organisation of industry in the north which left the workforce ill-educated and often illiterate, a bandicap still affecting the north. In areas like the Somme vallay this provided a favour-able recruiting ground for the Communists, be says, who have contributed to maintaining the sub-culture.

The northern region is the people in the north have largest in the country with 24 realised "that we must moder-seats in the National Assembly nise industry and that there The electoral batle is over will be a loss of jobs." Themes . The northern region is the

new joba to halt the grewth in

The Socialists bave now recovered some of their punch after an earlier sag in morale and popularity, following the giant rally President Francois Mitterrand beld in Lille earlier this month. They will also be helped by the fact that Mr Pierre Maurey, the formar Prime Minister is the local political boss, and by their record of good local administration. Their problem is to prevent their disillusioned former supporters from abstaining on March 16.

Mr Delebarre thinks that

· On his electoral tour be

ence on industrial training bringing together employers, educational institutes and the trade unions. "Five years ago," he sald, "such an event would not have been possible."

The right is basing its campaign on what Mr Jacques Vernier, the respected RPR major of Douai, calls the "betrayal of the north by the Socialists." He points to the promises, later broken, that they made is 1981 to spar product. made in 1981 to spur produc-tion in the steel and coal indust-

Mr. Chalandon, who was brought in from outside to head the RPR'o list, compares the north's problems to putting a company back on its feet. For

whether it was President of modernisation, improved the first time since 1958, the training and educational possition or the Socialists who carry the responsibility for the industrial rationalisation which has left the area with insufficient of modernisation, improved the first time since 1958, the training and educational possition or the Socialists need more time to show results.

But Socialists need more time to show results.

On his electoral tour be many that candidates almost a many that candidates almost stopped et the industrial centra of Cambrel to speak at a confer-

ries and in the shipyards.

means that candidates already know more or tess who will be elected. Thus the Socialists exelected. I has the socialists ex-pect to get seven seats as against 13 in 1981 (PR goes badly against the party in the north, while benefitting it netionally) and the Communists four seats

as against six. Notwithstanding the conflict between Communists and Socialists at e national level, both parties would still hope to cooperate if the left secures o majority in the regional council —which also embraces the area of the Pas de Calais.

The Communists voted for the regional budget the Socialists brought in this year. Mr will not practi a policy of systematic rupture at a regional level.

Europe 'should maintain Gulf links'

WEST EUROPE should not west EUROPE should not allow its policy towards the Gulf and related energy diplomacy to stip as a priority because of falling oil prices and reduced dependence on producers of the region over the part decade or so according to

next decade or so, according to a study published today." Whenever the market re-covers, West Europe still needs to been in mind that the rela-tive importance of Gulf oil supplies is likely to grow in the longer term rather than decline. Valerie Yorke and Louis Turper orgue in the 17th paper in the Joint Energy Programme series of the Policy Studies

The authors recommend that there should be a concerted

11 N 35 1

EEC supports French subsidy

By Quentin Peel in Brussels

The green light was given by the Commission yesterday to a

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Mexican debt move irks fellow Cartagena members

BY JIMMY BURNS IN BUENOS AIRES

THE LAST MINUTE ettempt by Mexico to secure a debt rescue package has plunged the Cartagena group of '11 Listin American debtor natious into a state of unprecedented confusion.

This emerged yesterday as officials arrived in the Uruguyan resort of Punta del Este th prepare Friday's summit of the economy and foreign ministers of Uruguay. Brazil, Mexico, Colombia, Venezuela and Argentina who form the steering committee of the Catagena group.

Mexico had been expected to give an aarly indication as to what Is going on," said one.

Mexico had been expected to give an aarly indication as to the ministers.

Mexico had been expected to give an aarly indication as to what Is going on," said one.

Mexico had been expected to give an aarly indication as to what Is give an aarly indication as to what strategy it wisbed the Cartagena group to edopt. Instead it appears to have contentrated all its efforts on striking a bilateral deal with the US Administration and other creditors in Washington.

Venezuela, which bes always kept a low profile in regional debt conferences, bas chosen to

Cartagena was formed in 1984 Cartagena was formed in 1984 to coordinate positions on the region's \$370bm (£246bm) foreign debt. The Punta dal Este meeting was called early this month by Mexico and Venezuela in response to the "emergency" situation created by the drop in oil prices. Yesterday Argentine officials they suspect may be Mexican duplicity, and the risk this implies for the regional unity on the debt issue which has been carefully consolidated in recent months.

debt conferences, bas chosen to sign a rescheduling agreement with commercial banks.

Uruguay deal agreed

URUGUAY HAS reached agreement with its main creditor banks on the terms of a \$2bn (£1.03bn) rescheduling of debt falling due between now and the end of 1989 and on e \$45m co-financing loan to be provided jointly by the commercial banks and tha World Bank, writes Peter Montagnou, Euromarket Correspondent.

Terms of the rescheduling are to be sent shortly to the

Terms of the rescheduling are to be sent shortly to the country's 115 bank creditors and the deal should be signed in April, Citibank announced in Part, amounting to \$1.76bn will the deal should be signed in April, Citibank announced in

New York yesterday.

The co-financing loan, which will be used to develop the Gabriel Terra hydroelectric power station, is the first voluntary loan to Latin America carry a margin of 1; per cent.

White House denies Regan

BY NANCY DUNNE IN WASHINGTON

THE National Aeronautics and most vicious end distorted Space Administration (Nasa) rumour I've ever beard." yesterday launched its defence - Mr Lawrence Mulloy, superto the fatal January 28 flight-of

Faring : mainia

> the Challenger. Meanwhile, Mr Larry Speakes, White House spokesman, denied rumours that Mr Donald Regan, the Chief of Staff, had put pressure on Nasa to "get that thing, up" to coincide with the President's State of the Union. dent's State of the Unite, message scheduled on the even-

against charges by engineers viser of the boosters for Nasa, that it bad put pressure on told the presidential consultation investigating the disaster shuttle booster rockets, to agree that be had only "challenged" that be had only "challenged the logic" of the initial Thickol recommendation not to launch.

Mr Mulloy acknowledged that Thickol's contract was due for renewal soon but said the compressure to give the launch goahead for that reason.

It was simply that the ening of the accident.

Mr Speakes said he was "tired on information that "didn't of that story" and called it "the seem to bang together," be said.

Tylenol scare in Nashville

pressed for shuttle launch

strength Tylenol capsula found in a bottle beneath his death bed, officials said Wednesday, AP reports from Nashville,

"Preliminary tests were done Tuesday which indicate cyanide is present," said Nashville medical examiner Dr Charles Harlan. 'But we still bave some confirmatory tests to make sure that's what's there."

Earlier this month. Johnson and Johnson, the maker of

TRACES of what appeared to Tylenol took the capsules of the be cyanide were discovered in non-aspirin pain reliever off the body of a 32-year-old the market after a New York Tennessee man and in an extra- woman died from taking an extre-strength Tylenol capsule that bed been laced with cyanide.

Three and a half years ago, seven people in Illinois died after taking extra-strength Tylenol cepsules spiked with

Polire said they first thooght the Nasbville man, Mr Timothy Green, bad dled of natural causes. His bealth had been

Haiti promises

action against

Duvalier aides

from Port-au-Prince.

France flight.

esentment bere.

HAITT'S new Government, respond-ing to intense public pressure, an-nounced yesterday that it would prosecute officials involved in hu-man rights abuses under the Duva-

The announcement was read ov local radio stations as scores of Hai-

tians took justice into their own hands and looted the home of for-

mer secret police chief Luc Desir

whose attempt to leave Haiti on Tuesday prompted violence at the

Troops used tear gas and fired in-to the air to disperse several bun-dred people who besieged the ter-minal to prevent the former secret police chief leaving on an Air

A day earlier former police chief Albert Pierre was allowed to leave

Haib for exile in Brazil, a decision that caused widespread anger and

"From now on, there will be no

more departures" in such cases, a statement read by Mr Gerard

Gourgue, the Justice Minister, said. He said the Government would

errest and bring to justice Haitians suspected of crimes during 28 years

of dictatorial rule by the Duvalie family.
Under François Divalier and his

son Jean-Claude, Haiti won e repu-tation as one of the world's worst

buman rights violators, Both Mr Pierre and Mr Desir are said to have

Peruvian mayor shot dead by guerrillas

A TOWN mayor in Peru's main coca-growing region has been ma-chinegunned to death by Maoist guerrillas as part of an increased

guerrillas as part of an increased rebel campaign to kill municipal officials, Reuter reports from Lima.

They said Sendero Luminoso (Shining Path) guerrillas shot dead Mr Abraham Rodriguez Sanchez, 59, as he was leaving his home in Auycayacu, 600 km north of Lima

Mr Rodriguez Sanchez, a member of the ruling APRA party, took up his post after his predecessor was assassinated two months ago. He was the seventh municipal official was the seventh was the sevent cial to have been killed by the guer-

rillas this month. Auycayacu is at the heart of the Anycayach is in the heart in the illicit trade in coca leaves. Peru supplies nearly balf the raw material for the world's supply of cocaine, most of it refined in neighbouring Colombia for shipment to the US.

Police and municipal officials in These and municipal officials in the coca Aurenaccu said Tingo Maria, near Anycayacu, said they believed that guerrillas, not drug traffickers, had killed the

In Lima, three young women suspected of leading Maoist guerrilias attacks here at the weekend have been seized in gunfights with police agents.

> **Get your News** early in Düsseldorf

been personally involved in the tor ture and murder of prisoners. INTERNATIONAL PROPERTY REVIEW

By Our New York Staff

EASTERN AIR LINES' bankers are expected to hold an emergency meeting todey to consider whether to extend a default deadline on the airline's \$2.5bn (£106bn) debt even though the troubled carrier has so far failed to win the wage concessions that the bankers are erquiring to continue their financiel support.

day unless the airline agreed to a wage contract.

main unlons, representing its pilots, flight ettendants and machinists, by Friday to avoid technical default on its debt. signed a wage pact with tha company and the flight atten-dants ,the weakest of Eastern's reached agreement.

However, Eastern now says that it never reeched agreement with the flight ettendants

Eastern's bankers had earlier

Wage talks at Eastern **Air Lines**

Hopes that Texas' Air's \$600m Hopes that Texas' Air's \$600m rescue of Eastern, agreed on Monday, would solve the company's financial problems, were thrown into doubt yesterday following the collapse of ware talks with the Eastern's flight attendants. The attendants said that they would strike on Friday unless the airline agreed to

ruled that the airline neded to win concessions from the three on Sunday the pilots three unions, said that they had

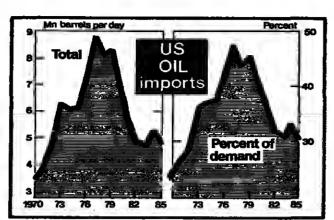
break down

"WITH THE alacrity of a hunting dog catching the scent of e game bird, many seekers of the quick fix end the easy solution are once more pointing their fingers et the oil industry as the way to cut the budget deficit," thundered Mobil Corporation in a recent advertisement. Mobil.-in common with most

of the other US oil majors, has been sounding alarm bells in a bid to prevent the Reagan Administration from taking advantage of the windfall gains from the collepse in oil prices by imposing a tax, sometimes thinly disguised as a "fee," on oil imports.

It is not the first time that the US, the world's biggest oil consumer. has debated taxing oil imports. But this time round the idee is building up a bead of steam and there are signs that opposition within the oil industry is softening, particu-larly among the financially pressed oil companies some of whom are beginning to argue that an import tax could be justified on national security

Mr John Lichtblau, president
of the New York-based Petroleum Industry Research Foundation saye thet the likelihood of
some form of oll tax is "fairly
good" and Ms Barbara KatesGarmick of Cambridge Energy Research Associates, describes it as: "A much more realistic possibility than it was a few months



tax oil imports injects yet another uncertainty into the world's volatile oil markets end is being watched with considerable unease by other oil pro-ducers. If the US were to impose a \$5 per barrel tax on imported oil it would tend to displare imports with local pro-duction and add to the world's

current oil glut.
Mr Charles Maxwell, a leading oil analyst with the Wail Street firm of Cyrus J. Lawrence, says: " If the US Government'e aim is to bring down the world oil price to \$6 to \$8 per barrel, one of the fastest ways of doing it would be to impose a \$20 per barrel import fee." While it is far from obvious

ago."

While it is far from obvious
The chance that the US might that the Administration bas any

wish to drive world oil prires any lower, some form of oil import tax has a tremendous appeal for a government which is desperately looking for ways of raising revenue painlessly.

Pressure on the Administration to introduce an 'imports fee' is growing, says William Hall

Several Bills beve already been tabled in Congress. Sena-tor Gary Hart of Colorado end Senator Malcolm Wallop of Wyoming, who sit on different sides of the Senate, bave each introduced bills calling for some form of oil import tax, and a US Senate subcommittee is scheduled to hold bearings on the subject today and tomorrow. There are still plenty of opponents inside Congress, including House Speaker Mr Thomas "Tip" O'Neill, but there has been e definite soften-

Administration.
Mr James Baker, the US

Treasury Secretary, said recently that President Reagan had "left the door open" to tha possibility of an oil import tax or e gasoline tax as long as they came in "the context only of a recent properties." of a revenue-neutral tax reform The US, which accounts for

about a quarter of world oil consumption, uses just over 16m barrels e day (b/d). On this basis, a \$5 per barrel tax on US oil imports would raise about \$90n a year and would not increase retail prices if it was imposed before the Impact of lower oil prices bad time to seep through to the rest

It can also be sold as a conservation measure because it does not encourage consumption end it could help save some of the weaker players in the US oil petch from going out of

Mr Ralpb Bailey, chairman of Conoco, sums up the official oil industry position: "It would invite retaliation, it would add to infletion and, although the tax would cause an increase in tha prire of US-produced oil, if anyone believes the Federal Government would allow us to keep any portion of this money —he probably also believes in

some of Conoco's rivals in the next few months if there is no industry, such as Texeco, are recovery in the price of oil

Alarm bells sound in US over oil tax threat

thonghts. Previous ettempts to control US energy prires have been a bureeucratic nightmare end en import tax is likely to present the Administration with awkward choices. It drawa 45 per rent of its imports from three close neighbours—Mexico. Canada and Venezuela. Any US import tax would exarerbate their serious financial problems. Inside the US any proposal to

impose en import tax would be strongly opposed in the north eest of the US, which use large amounts of beeting oil. Industry is also likely to put

up a fierce fight against an oil import fee.

Six months ago proposals for an oil import tariff quickly crumbled under the combined weight of official opposition and Congress' unwillingness to increase domestic energy costs. Since then oil prices have halved, the Administration needs to find extra tax revenues deficit, and there are growing concerns about the impact of lower oil prices on the long-term health of the US oil industry and energy conserva-

It would be too early to describe an oil import tax as an idea whose time bas come. But it is en issue which will be the focus of an increasing the tooth falry."

However, there are signs thet amount of controversy over the next few months if there is no

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Marcos invested heavily in US, say investigators

and others believe Mr Ferdinand Marcos, the ousted president of the Philippines, and his family diverted hundreds of millions of dollars abroad, much of it into US property holdiogs.

These personal assets, which are said to include property in New York alone valued at about \$350m, are expected to be the subject of a fierce battle by the new Philipping's Covernment new Philippine's Government whose US advisors have already indicated that they will use whatever legal means are available to recover them.

The Marcos family has steadfastly and repeatedly denied allegations that they illegally built up a huge overseas investigation meot empire—valued by some at about \$3bn—during the Marcos regime.

However, congressional inves-tigators and Marcos critics have managed to huild up a sketchy picture of what they claim are picture of what they claim are substantial property holdings in the US including a handful of valuable New York properties such as the Crown huilding oo Fifth Avenue, 40 Wall Street. 200 Madison Aveoue and the Herald shopping ceotre in Mistown Manhattan said to have been acquired in 1981 and 1982.

These properties are managed y New York Land, a New York property development company owned by two Philippine raised hrothers, Mr Ralf and Mr Joseph Bernstein. Earlier this week US newspapers reported that the papers reported that the Bernstein's had exercised op-tions to acquire three of the

Major stocks rise sharply

Key Philippine stocks soared as much as 50 per cent yesterday

jumped the maximum 50 per cent allowed under Philippine law in Wednesday morning's two hours of trading. Foreign interest was supporting the market, eithough international investors were allowed only to huy shares that carry no voting weight,

Meanwhile, the country's cur-Meanwhile, the country's currency the peso, was steady in of course, because President the absence of trading on the interbank market. The currency any bloodshed," she said, "Bot has been battered since the beginning of the year by Godfather. All the opposition is



Mrs Imelda Marcos . . . built up holdings secretly

properties

to came the owners of the pro-perty and has denied any link with the Marcos family. New York Land emerged on the New York property scene in 1982 when it began managing the Crown and Wall Street huildings for unideotified foreign owners which Mr Joseph ern-Btein, e lawyer, had represented in the purchase. Yesterdoy Mr Joseph Bernstein falled to re-turn e telephone inquiry.

Details of the alleged Marcos holdings have mainly emerged in recent hearings held by the committee of the House Foreign Island. The property was Affairs Committee chaired by bought in 1981 for \$5m and Mr Stephen Solarz, a New York modernised for about \$3m.

Democrat and long-time Marcos critic. Mr Solars has said he plans to introduce legislation allowing foreign governments to use the US courts to retrieve assets obtained illegally from overseas corruption or bribery.

According to testimony taken According to testimony taken by the committee, the Marcos family property holdings in the US were built up in secret by Mrs Imelia Marcos, wife of the ousted Philippine President, using companies registered in the Netherlands Antilles and other effects for president, and then effects for president or the property of the president of the preside other offshore financial centres.

During testimony it was alleged that negotiations over the possible sale of the proper-ties tonk place during e series ties tonk place during e series of secret meetings at Mrs Marcos' upper east side Manhattan house during 1984. The aim of the meetings, which are said to have involved bankers and lawyers, was to reassure Mrs Marcos about the holdings and ensure she made a substantial profit oo the properties. According to one lawyer, Mr Barry Knox, who gave testimony before the com-mittee tha properties were given codenames like "Midtown cement," "Faragama," and "Bridgetown" in telexes seot to Manila, and Mr Joseph Bernstein was referred to as "Lafayette."

Mrs Marcos is also said to own the Lindemere, e 10-acre estate and mansioo valued at \$19m in Center Moriches, a Asia and Pacific Affairs Sub- fashionable resort area on Long

Filipinos in far-flung provinces celebrate

mass, Davao City residents were shouting victory," and officials in Cebo Province did political about-faces yesterday, the day a after Mr Ferdinand Marcos fied the archipelago, AP reports from Manila.

Prices of many major services, Prices of many major services are many major services. Cadiz parish church on Negros they don't show it because they

irom Manila.

In Bacolod City, on Negros
Island, about 20,000 people
gathered yesterday afternoon
for a victory celebration.

Cadiz residents could not
demonstrate their happiness as
publicly, Sald Ms Annie Banes
of the found parish shares of the town's parish church. She said the local sugar baron, Mr Armando Gustillo, e staunch Marcos supporter, wouldn't like

Everybody was very happy conomic and political turmoil. very happy in their hearts, but departure,

are afraid."
Ms Leilani Diaz of Davro Mindanao, said employees at the hank where she works were thrilled. "Mass was celebrated in Magsaysay Park as thanks-giving It was like a New Year's

celebration. We were all so jubilant, shouting victory," she said. "I cannot describe the feeling, we were so happy." But the most dramatic shift came from Brig-Gen Renato Ecerma, a regional military commander. On Tuesday, Mr Ecerma said he would take orders only from Mr Marcos and then the military chief, Gen Fabian Ver, But yesterday he congratulated the naw president and the two defence officials whose defection last weekend

Plot to kill defence minister uncovered

AN APPARENT assassina-tion plot against Mr Juan Ponce Enrile, the Philip-pine's new Defence Minis-ter who broke away from the Marcos Government, was discovered yesterday at his headquarters in Aguinaldo in

The plot, involving a friend of Mr Marcos's son, surfaced a few hours after a separate incident in which police seized a van registered with the deposed nresideot's office carrying 13 wooden crates containing crisp 100 peso hills.

The money estimated at

peso hills.

The money, estimated at more than Pesos 100m (£3.im), was taken by the van from a ship repair yard said to be owned hy Commodore Alberto Romualdez, hrother of Mrs Imelda Marcos, Mr Marcos's onee-powerful wife.

According to the police, the notes were to be hrought to Mr Romualdez'a house in the Makati financial district. Mr Romauldez operates the

Romauldez operates Manila casino.

An investigation is under way, but it is widely believed the money was the unspent part of an estimated election war chest of several hundred million dollars. It is believed to be part of a local currency conversion of unexplained US dellar appointment into the dollar remittances into the

donar remittances and the country last year.

Monetary authorities had admitted that substantial amounts of US dollars had been remitted into the country

The plot against Mr Enrile was apparently motivated hy disgust over his role in the toppling of Mr Marcos.

The Defence Minister's security forces also arrested the mayor of Lacag City, Mr Parket Security forces are convented. Rodolfo Farinas, a supporter of Mr Marcos's son, Ferdi-

nand, who is governor of Hocos Norte province, His car and two other vehicles were searched and found to have a cache of assorted unlicensed assault rifles, pistols and ammunition.
At the time of his arrest,
Mr Farinas was waiting to
see Mr Enrile who was then

Marcos' government.

holding a press conference, Security officers traced the Security officers traced the cars to a ear park near Mr Enrile's beadquarters and arrested eight other people. Two of the suspects were policemen of Lacag City. The rest were believed to be members of Mr Farinas' paramilitary force.

Mr Enrile's security forces Mr Enrile's security forces had been on alert since last weekend when he and the deputy chief of the armed forces, Lt-Gen Fidel Ramos, led a revolt against Mr

Company chiefs to discuss S. Africa

BY MICHAEL HOLMAN

CHIEF executives from leading companies in Britain, the US and South Africa are due to meet at Leeds Castle, Kent in Britain, early next month to discuss the deteriorating politi-

cal climate io the country. The meeting on March 8, to be chaired by Mr Edward Heath, the former British Prime Minister, has been organised by Rev Leoo Sullivan, an American clergyman who in 1977 helped frame a code of business condoct for US companies operating in Sooth Africa.

Neither Mr Heath nor Rev

Sullivan were prepared to comment yesterday on the planned meeting, which is a follow op to a similar gathering one year ago. "It gives an opportunity to exchange views on South Africa on a confidential basis," said a spokesman for one of the companies due to partici-

pate. Those invited ara thought to include General Motors, Control Data, Fluor, Mobil Oil, and Goodyear International from the US; Barclays Bank, Sheli UK, Rio Tinto from Britain; and Premier Group, Barlow Rand, and Anglo Vaal of South

A two-day strike by at least 12,000 black miners at the Vani Reefs gold mine, 100 miles west of Jehannesburg, reached an impasse yesterday as talks resumed between the National Union of Mineworkers and management, Jim Jones reports from

Johannesburg.

The NUM has demanded the unconditional release of nine men being questioned by police investigating the marder of four senior hisck mine employees on Tuesday last week. Management said the demand was unacceptable and outside its control. Police said the nine men were due to appear in

court today.

The strike has cut production at South Africa's second. largest gold mine by ebout one-third, with production losses running at an estimated Rands 2.5m (£8,300) a day. Vaal Reefs is managed by Angle American, South Africa's largest

Mr Jan Steyn, chairman of South Africa's Urban Foundation, an influential husinessfunded pressure group for reform which funds hlack hous-

expressed growing concern about the slow pace of political reform under President P. W.

funded pressure group for reform which funds black housing and business projects, is also expected to attend.

Mr Sullivan is expected to give the opening eddress, reviewing developments since the group last met. In the past 12 months over 700 people, mainly blacks, have died in political unrest in South Africa. The husiness community, both local and international, have

laws which segregate the city's

beaches.

The US business community is coming under increasing pressure from anti-spartheld groups. The Washington-based Transafrica movement, led by Mr Randall Robinson, has followed up a year-long protest demonstration against the South African embassy in the city with a call for the hopout of Shell products in the US.

It already advocates dis-investment if the country's main-epartheid laws are not repealed by spring next year.

The meeting was condemned last night by a spokesman for Britain's Anti-Apartheid Movement: "It is an attempt by foreign business to determine the future of South Africa without reference to those who will be most affected, pamely the hlack population."

Anti-apartheid protestors outside branches of Barciaya. Standard Chartered, Midland and Hill Samuel banks in 50 British centres yesterday. The banks were singled out because they are among the biggest lenders to South Africa,

Iran attacks seen as preparation for major offensive against Iraq

The operation around Sulai-

the two country's several

is that Iraq is being pushed back," said o military attache, who observed that, in crossing onto the Faw peninsula, Iran had echieved three objectives.

These were that it was threat-

ening to cut Iraq off from the Gulf, that it had put out of ection a big radar and missile complex which threatened ship-

ping into and out of the nearby Iranian port of Bandar Khomeini at the head of the Gulf, and that it had served

notice oo Ruwait that there may be heavy costs for its continued support for Iraq.

The attache said Iraq had missed an opportunity to retake

The pattern of the war now

IRAN APPEARS to he posi-tioning itself for further strikes The operation around S and a possible big offensive maniyo is seen in part as a against Iraql defences to take advantage of the gains it has already made, according to military attaches in Tebran.

Therefore of the same o

Unconfirmed reports yester-day said Iranian troops had opened another froot against Iraq on the Faw peninsula, ettacking from positions east of Basra, Iraqi's second largest

Meanwhile, Iran is claiming successes in its drive ecross the border into north-east Iraq, near the city of Sulaimaniya, about 30 km east of a major Iraqi olifield at Kirkuk, An experieoced military observer in Tehran sees the attack more than two weeks ago

attack more than two weeks ago against the Faw peninsula et the northern end of the Gulf and Monday night's crossing of Iraq's north-east border as part of a careful preparation for a much bigger operation against

Basra.

He said there were about 600,000 revolutionary guards, army regulars and volunteers massed ready to launch such an offensive if circumstances on the ground are favourable.

This would depend he said. on whether Iran maintained its hold on the disused Iraqi oil town of Faw and was able to

drive back Iraqi troops who

missed an opportunity to retake Faw in the first several days after it fell. A violent counterattack was now needed, he said, including virtual hand-to-hand combat.

"If Iraq can't push them (the. Iranians) back from the north-eest and from Faw, there is no-

Among reasons advanced for Iran's improved showing in the latest offensive is that it has learned from its past mistakes to choose targets more selec-tively and prepare more care-fully, and also it has in its arsenal more effective anti-tank weapons (US made) and antiaircraft batteries.
There seems little doubt Iran

has brought down at least 20 Iraql eircraft which is a big improvement on its previous efforts. It also appears to have had more success in blunting attacks by Iraqi ermour. Iran'a ultimate objective, according to observers here, is

to isolate Basra which would be a crushing hlow to the regime in Baghdad and would terrify the Gulf States who remain Iraol President Saddam Husseln's principal backers. Iran's intention appears to be

to develop the option of advanc-ing towards Basra from both the south and from the east. But this would depend on developments in the next days and weeks.

Further successes on the Faw peninsula may encourage Iran to fry an all-out onslaught against Basra Conversely, a rout of Irania troops in Faw would be a serious embarrass-ment for the authorities who thing to stop them ettacking would be a serious embarrass pelsewhere, he said. They ment for the authorities who in don't have e manpower prob-

Thousands held in India strike

By K. K. Sharma in New Delhi LARGE numbers of workers stayed away from work yester-day and 5,000 people were arrested in 16 of India's 22 states in response to an opposi-tion call for a day's token general strike to project against

recent price rises.
The general strike was nearly total in Karnataka and Andhra, two southern states ruled by opposition parties, and evoked a mixed response in 14 other states. Six states, including Punjah, and New Delhi were exempted from the strike since they have already organised separate protests against the

price hike.

More than 5,000 people were arrested for picketing and obstracting rail and road traffic, but no major violence was reported. In all states, sheps, offices and educational institu-tions remained closed. Buses did not run in most towns.

In New Delhi, thousands attended a rally organised by the opposition to hear politicians the opposition to hear politicians denounce the Government for the price rises. A nationwide movement to fight the Covernments, "anti-poor" economic policies was threatened.

The Government missed prices of foodgrain, fertilisers and petroleum products earlier this month.

month.
This is the first time opposi-

tion parties have united to organise a protest against Mr Raily Gandhi since he took over as Prime Minister in October,

The Government faces further criticism following the rise in passenger fares by the state-owned Indian Railways yesterday when the annual failway budget was presented to parliament. The higher fares will have a additional Pa 750m in

raise an additional Rs 760m in revenues.

Prime Minister Gandhi yester-day faced further trouble from his own Congress-I Party over a bill on the rights of Moslem

Mr Arif Mohammed Khan, Minister of State for Energy, resigned in protest over the hill which gives Moslem women limited claims on their husbands after divorce. The parliamentary party is to meet today to discuss the controversy.

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Sabah assembly dissolved Lange attacked for content of to pave way for elections BY WONG SULONG IN KUALA LUMPUR **Oueen's speech**

NEW ZEALAND'S Labor Prime
Minister Devid Lange was
accused yesterday of drawing
Britain's Queen Elizabeth II
into the controversy over New
Zealand's anti-nuclear policies,
AP reports from Wellington.
In a speech prepared for her
by the New Zealand Government at the opening of Parlia-

ment at the opening of Parlia-ment's 1986 session, the British monarch ontlined legislation to har nuclear equipped ships from New Zealand and said the policy was not intended to weaken its security alliance with the US and Australia.

and Australia.

"New Zealaod's wishes to retein and to extend the longstanding friendship existing between the two countries," she Nevertheless it is acknow-

ledged that the operational character of the Anzus alliance is the subject of dispute with the U.S." she said in her speech from the throne.

Mr Jim McLay, the Opposition leader, said the Government had been insensitive to include

such controversial material in the speech outlining the year's legislative programme.

THE Christian domineted also in the moslem con-Government in the oil and stituencles: timber rich east Malaysian state Datuk Pairin's PBS unextimber rich east manaysian state of Sahah yesterday dissolved the state assembly to pave the way for elections aimed et hreaking a 10-month political

impasse.
In calling for new polls,
Datuk Pairin Kitingan, the
Chief minister, appears to be
governed by the fect that the PBS, runs the risk of losing control over the state assembly following attempts to entice several PBS assemblymen to

pectedly swept to power, win-ning 26 of the 48 contested seats in last April's state elec-tions which saw Sabab's voters sharply divided along racial

Since then, his administration has been immobilised by a series of court suits, while the federal government in Kuala Lumpur is exerting pressure for ft to take the moslem-based United Sabah National Organisation into a coalition govern-

defect.

There is also a danger that on April 15 the high court, might rule in fevour of Tun Mustapha, the moslem opposition leader, in his suit seeking a court order that he, rather than Datuk Pairin, is the legal Chief Minister.

Tha PBS has greetly improved its organisation after 10 months in power, and recent by-elections have demonstrated the party's ability to attract support, not only in the Kadazan and Chinese areas, but the controversy.

Datuk Pairin survived an attempt to undermine his Government when he flew back to Kota Kinabalu from Kuala to Undermine his opened fire and used tear gas to disperse an angry crowd in Jammu and Kashmir State in fresh violence fuelled by Hindu-Moslem tensions, Reuter reports.

The PBS has greetly imported in persuading aeveral PBS assemblymen from crossing over to the opposition. Two had crossed over and more might do so if the assembly is not dissolved.

Sabah joined the Malaysian federation in 1963, but the state is also being claimed by the Wollence fuelled by Hindu-Moslem tensions, Reuter reports.

The Press Trust of India quoted an official spokesman as saying the Government of the Moslem-majority northern state had asked the army to stand by to quell rising violence, arson and looting.

Hong Kong growth falls to 0.8%

HONK KONG'S gross domestic HONK KONG'S gross comestic product (GDP) grew by a bare 0.8 per cent in 1985, compared with 9 per cent growth in 1984, and early forecasts of a 7 per cent improvement, according to Sir John Bremridge, Hong Kong's Financial Secretary, who

yesterday unveiled his last hud-get before retiring in June. get before retiring in June.

If population growth of 1.2.
per cent over 1985 is taken into account, then per capita GDP fell in real terms for the first time in many years—by 0.3 per cent. At the end of the year, per capita GDP was HK\$48,964 (US\$4,213) and was forecast to grow this year by 9 per cent in nominal terms to HK\$53,370. Of solace to Sir John was a HK\$98m budget surplus in 1985—the first surplus during his turbulent five-year term—

which compared with a forecast deficit of HK\$960m. Sir John has forecast a budget surplus for the year ahead of HK\$350m, with GDP growth of 4.5 per cent. The economic growth forecast assumes a 6 per cent rise in exports, which in turn is based on the assump-

tion that a weakened US dollar

Singapore is to impose a twoyear wage freeze, cut taxes and reduce contributions to a compulsory savings scheme compulsory savings scheme for employees as part of a package almed at pulling the contity's economy out of its worst economic slump for 20 years, writes our foreign staff. Mr Gob Chok Tong, Singapore's first deputy Prime Minister, announcing the measures in parliament yesterday, said the Government would also boost spending on public projects to stimulate growth. Singapure's economy shrank by 1.7 per

economy shrank by 1.7 per cent last year following 8.2 per cent growth in 1984.
Among the mea the measures

-to which the local currency is linked - will improve Hong Kong's export competitiveness. Both assumptions are regarded as contentious by analysts, with concern expressed locally over Hong Kong's heavy dependence on the US economy.

The budget provided for minor increases in tax on

domestically - manufac-

he Central Provident Fund, the state pension fund, will be cut by 15 percentage peints from 25 per cent to 10 per cent of a workers' salary for two years from April L.

© Corporate tax is to be reduced to 33 per cent from 40 per cent for the 1987 fiscal year starting April I compled with an across-the-beard 25 per cent personal income tax rebate.

rebate.

Expenditure of 8\$700m (\$223m) on public projects will be brought forward this Bajor referms of the wage system are to be implemented, including a minimum two year wage freeze.

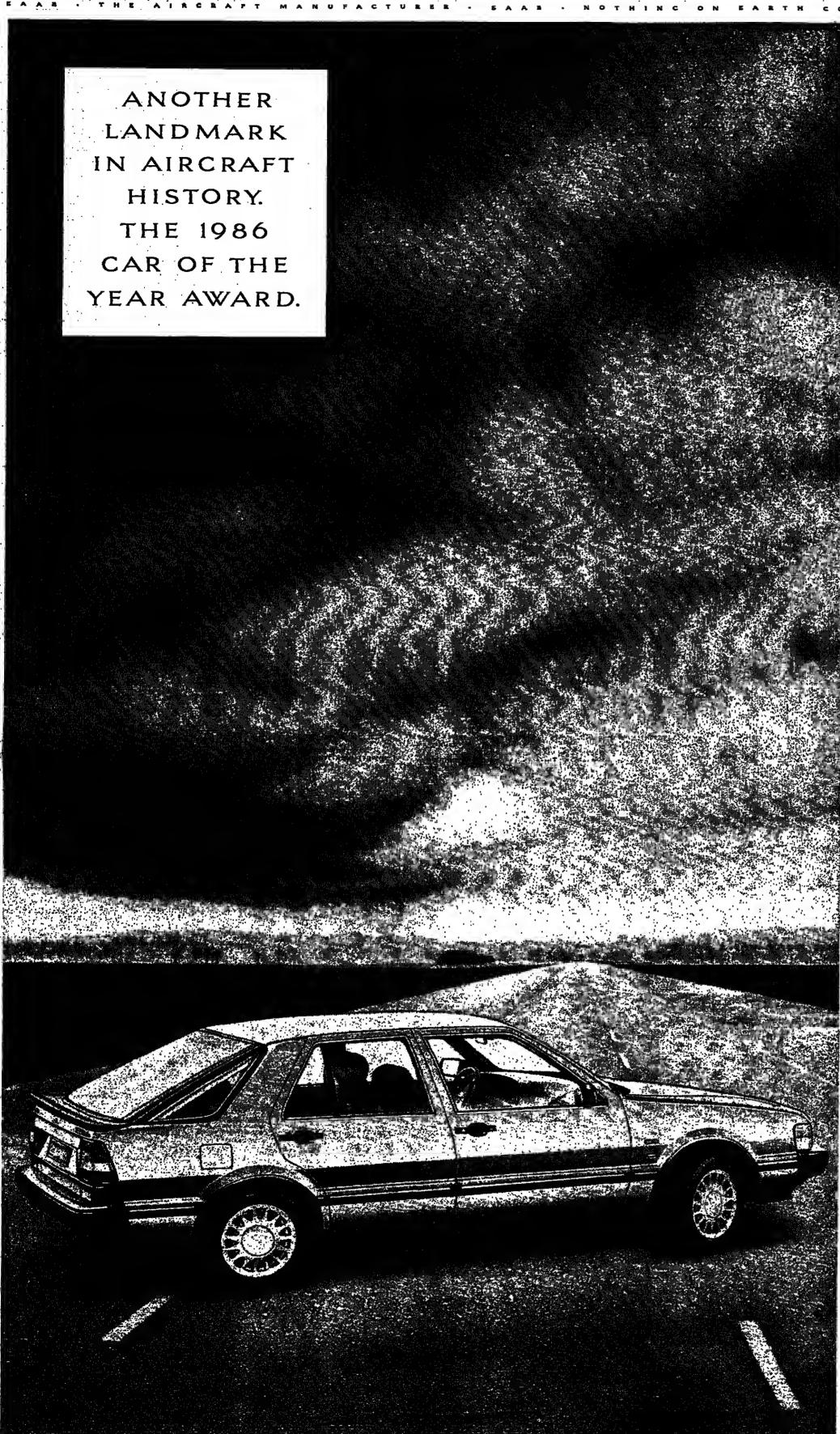
tured cigarettes, and on driving licences. These were offset by incences. These were offset by higher salary tax allowances. For local companies, the repeal of a tax introduced two years ago on interest earned on offshora deposits marked o significant concession following what Sir John described as "absurd levels of dispute" over the tax. Bank licence fees will

rise 20 per cent : HK\$300,000 to HK\$360,000. In a move to encourage the issue of local corporate bonds, the Government dropped stamp duty on a number of bearer instruments. This should help boost local capital market activity.

Sir John'o vision of expertled growth in 1986 assumes a
10 per cent improvement in
exports to the US, after a 7 per
cent fall in 1985. He is counting on exports to the UK
improving by 5 per cent, to
West Germany by 18 per cent,
and Japan by 16 per cent, after
falls ranging from 12 and 18
per cent in 1985 to those
markets.

Local analysis can the

Local analysts see these pro-jections as opnimistic on a number of counts, and say the number of counts, and say they take no account of moves in the past week by the US Administration to freeze Hong Kong's textile exports to the US at 1985 levels for the next three years. Sir John conceded also that forecasts depended critically on the assumption that the US dollar will remain weak during 1986.





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Insuring against US lawsuits 'another barrier to trade'

BY CHRISTIAN TYLER, TRADE EDITOR

THE COST of insuring against ance before the London market customers' lawsuits in the US in primary insurance of this has become another berrier to kind dried up soma six months trade, according to some British

A number of them bave been unable to sell their goods in ance the American market because Bu they can no longer obtain cover, according to the London Cham-

come acute for US companies in their own market, and there is talk of US Federal legisla-tion to put a cap on a product

The London Chamber is sending a mission to Washington to-day to gather information on to-day to gather important this and other legislative pro-grammes that could affect ments in Britain's biggest export market.

British business.

According to members of the mission yesterday, the cost of allegedly faulty products is becoming prohibitive over a wide range of goods, from pipeline seals to food and pharmaceutiseals to food and pharmaceuti-

US companies were paying tion, national procurement anything up to \$250,000 policies and state unitar-(£178,000) a year for such insur-taxation.

ago, according to Price Forbes the US arm of the Sedgwick

Group, the international insur-ance brokers.

But the market for "excess insurance" — dealing with claims of around \$2m and upber of Commerce yesterday.
Others have pulled out because of the high premiums being demanded wards—was still operating because such risks were cross-subsidised by other busi-

Fewer underwriters were prepared to take the risk, and rates had become so high as to be "detrimental to business."

The problem has already become acute for HS Companies, however.

Mr Richard Peel, of London Hemsley who is leading the Chamber mission, said the aim was to establish a regular dialogue with US counterparts and efficials to keep British companies abreast of develop-

insurers, anti-dumping legisla

Hong Kong exporters warned on Saudi trade

By Dayid Dodwell in Hong Kong HONG Kong exporters should HONG Kong exporters should take particular care in trade dealings with Saudi Arabiz, where the steep fall in oil revenues has led to several buyers baving payments difficulties, Hong Kong's Export Credit Insurance Corporation warned yesterday.

Mr S. Y. Choy, the corporation's acting commissioner, said that nine Hong Kong companies insured through the corporation had recently reported that Saudi buyers had asked to renegotiate payment terms, or were seeking more time to pay. A further six had reported payments

The corporation said that the recent steep fall in oil prices called for extra caution in dealings in many Middle Eastern markets. It warned that differences between the Islamic legal system, and that used in Western economies, meant that debts were often hard to pursue in many Gulf

It also noted that Sandi Arabia's eil exports have fallen from 10.2m barrels a day in 1981, to 2m barrels a day, with the country's Gross Domestic Product falling for four successive years,

GE consortium wins China power contract

A CONSORTIUM headed by General Electric of the US last night signed a contract worth inst over \$365m (£250m) for equipment for two thermal power stations in China. Under the contract aigned

with the state-run Huaneng International Power Develop-ment Corporation, established specifically to bandle foreign participation in China's energy davelopment programme, the consortium will provide four 350 Mw generating units for GE will supply steam turbines. Its partners in the

CHINESE trade officials have told Mr Charles Cariisle, the US textile negotiator, that Peking would like te see the Multi Fibre Arrangement (MFA) abolished, U.S. officials said, agencies report.
Mr Cariisle is on a fournation tour explaining the Reagam Administration's textile policies.

Negotiations begin soon in Geneva on renewal of the

Industries, which will provide the boilers at a cost of around \$140m, and Italy's Ansaldo group, the engineering sub-

agreement, which expires in July. The agreement controls a large part of world trade in textiles and clothing which are China's second most important export after reaching \$1.48tm (£1bm).

"Like all other developing countries that are textile exporters, the Chinese would like no restrictions at all," e US official said.

said its part of the contract will total around \$150m. Ansaldo will design and

The two power plants are to be huilt in Shijiazhuang in

Hebei Province in the north, and Nantong in Jiangsu Pro-vince, near Shanghai. The plants vince, near Shanghai. The plants are expected to come into operation In ebout 1988.

At the signing was the Chinese Vice-Premier, LI Peng, be hoped the consortium would

who said the contract was an have a long-term role in the important step along the way to development of China's energy easing China's acute power facilities. The consortium is important step along the way to easing China's acute power turbines. Its partners in the \$140m, and Italy's Ansaldo will design and shortage. Energy and communication is group, the engineering subsupervise construction of the cations bave been listed as ment for stations in Dalian, in months' negotiation, are sidiary of Italy's IRI-Finmectory plants and supply the machine "key" development areas in that the north, and Fuzhou, in the Canada's Babcock and Wilcox canica state company, which hall, electric systems, auxiliary seventh Five Year Plan (1986-south.

Handling equipment. General
Electric will supply the turboalternators and Babcock and
Wilcox the hoilers.

The two power plants are to board memhers from the Bank of China, the State Planning Commission, and the Ministry

West Germany presses for nuclear station order

WEST GERMANY is continuing group, is fighting bard for the build the project. large quantities of spent nuclear its efforts to win a nuclear contract, with backing from the build the project. large quantities of spent nuclear repower station contract in China, Bonn Government. Which of the Sunan project fuel from German nuclear rewould be financed through a actors to China for atorage and its efforts to win a nuclear power station contract in China, but fears it may have a lengthy wait for a decision. Meanwhile, the West Germans bave taken steps to meet some demands linked by the Chinese to the deal, including the controversial question of

atching spent nuclear fuel At stake in the negotiations is an order for two 1,000 MW

contract, with backing from the Bonn Government. Mr Klaus Barthelt, KWU's chief executive, said that bis company had long since learnt that "things mature much more slowly than we would like," in China. KWU hoped its efforts would succeed, but "nothing is more embarrassing than rejoicing to seen."

About 50 engineers and a board member are in China to reactors for a power station at try to push ahead negotiations, Sunan, 120 km from Shangbai, which are concentrated on Kraftwerk Union (KWU), a subsidiary of the Siemens electrical contractors in China to help

countertrade operation—involv-ing the export of Chinese nonferrous metals-which has been put together by Metallgesellschaft, the Frankfurt-based metals, mining and trading

Barthelt indicated that even if the Chinese did not amounts, as it bad begun award a contract to KWU, West build its own plant to reproce Germany would import non-

large quantities of spent nuclear towards the end of the 1980s possible reprocessing—a pro-posal that the West Germans have not found very attractive. Mr Barthelt said that West Germany was willing to send a total of 150 tonnes of spent nuclear fuel to China. But it was not prepared to send large amounts, as it bad begun to spent nuclear fuel at Wackers-

if KWU received a nuclear power station contract. Framatome, the French nuclear reactor company, is also interested in the Suman project, and although it has long been suggested that the West Germans would be chosen. KWU is taking French com-

Late last year, Framatome reached agreement in principle with the Chinese for the supply ferrous metals and uranium dorff in Bavaria.

from China.

It is understood that West Bay power station, which is to Germany would start shipping generate electricity for Guangpressing West Germany to send spent nuclear fuel to China dong Province and Hong Kong.

petition seriously.

Saudis still expect UK iets offset investment

BY RICHARD IOHNS

A REMINDER that Saudi not press the issue too soon Arabia still expects a substantial UK investment in return for the supply of 132 aircraft by British Aerospace under the recently signed £5bn government deal was nearly \$4bn-worth of contracts.

Deputy Minister of Defence, was quoted by the Jeddah publication Areb News that the Kingdom's "off-set programme"

They and their bankers are would be applicable to the deal. believed to have identified the It required companies winning most obvious viable projects of large contracts to re-invest 35 interest to the aviation industry.

made when the memorandum of understanding on the aircraft package was initialled last September, but conclusion of the actual deal was not made conditional on any specific conditional conditional

There is some scepticism that the Saudi Government was whether viable projects can be found and the hope in Whiteball bas been that Riyadb will civilian projects.

given yesterday.

Prince Fahd bin Abdullah, cations, command and control system for the Saudi Armed Forces. Those were conditional on offset investment projects.

per cent of their worth in joint ventures.

A statement of intent by the British Government was made when the memorandum of understanding on the air companies and Saudi partners.

Pechiney signs bauxite unit pact with China

By Paul Betts in Paris

PECHINEY, the nationalised French aliminium and metals group, has signed a technical assistance agreement with China to construct a bauxite digestion unit at the Chinese alumina plant being built at Hejin in Shangi province.

The technical agreement is sig-nificant for the French group because it further strengthens its presence on the Chinese market and boosts its chances of winning major orders. Pechiney, which is seeking to expand in the Far East markets,

is eyeing a major aluminium is eyeing a major aluminium is melter project in China running into several billion dollars.

The French company is discussing with the Chinese the construction of a major smelter at Binggroup Bookings officials. at Pingguo. Pechiney officials have warned, however, that the discussions which sterted in

1978 are likely to be long.
The new technical assistance agreement for the bauxite digestion unit will produce 660,000 tours a year of alumina at Hejin before the end of the decade.

IBM subsidiary plans French

By David Marsh in Paris

THE FRENCH subsidiary of International Business Machines is discusising setting up with Paribas, the French stateowned financial group, and Sema-Metra, one of the country's top software companies a joint top aoftware companies, a joint venture to market advanced communications services in

forms part of a general effort by the US computer giant to profit from gradual steps towards deregulation in the French telecommunications industry.

Paribas said yesterday that the three companies had been

the three companies had been in contact for a year on the project and it was now at "an advanced stage."

The formal green light from the Direction Generale des Telecommunications (DGT), the country's telecommunications authority, had however not yet been given.

tion unit will produce 660,000 tounes a year of alumina at Heiin before the end of the decade.

Pechiney bopes the agreement will pave the way for other technical accords in China

ioint venture

The plenned move by IBM into the area of value-added information services in France

Eriesson in \$108m Latin America phone deals

BY DAVID BROWN IN STOCKHOLM

L. M. ERICSSON, the Swedish telecommunications and electronics group, has announced it has won orders for telephone exchange equipment and transmission systems from Guatemals. Mexico and Ecuador with a total walve of \$100m (\$77m) a total value of \$108m (£77m). Telemex, the Mexican public telecommunications adm telecommunications adminstra-tion (PTT) has ordered ana-logue and digital transmission equipment as well as an ana-logue exchange worth a total \$67m from the group's Mexican subsidiary Teleindustria Erics-son SA.

will be manufactured at the group's facilities in Mexico.

worth a total \$30m was awarded ket share in telecommunica-by Guatei, the Guatemalan tions equipment. In Latin PTT. The contract covers America, bowever, it controls several digital local AXE ex-

This equipment, to be de-livered in the second balf of this year, will be produced at Ericsson's Italian production subsidiary, Fatme.

letel, the Ecuadorian PTT lefecommunications administration (PTT) has ordered analogue and digital transmission
equipment as well as an analogue exchange worth a total
form from the group's Mexican
subsidiary Teleindustria Ericstion SA.

The bulk of this equipment

Ericsson sales of AXE ex-

Ericsson sales of AXE ex group's facilities in Mexico, changes have reached 13.7m with deliveries to start this year.

The largest single order: 9 per cent overall world mar-



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GEC allowed extra time on Nimrod project

BY BRIDGET BLOOM AND KEVIN BROWN

GEC AVIONICS is to be given an tive solutions, which it said would extra six months to prove it can de- make it easier to judge whether the velop the controversial Nimrod ear-ly warning aircraft to the RAF's sat-tive. It said it was confident that it isfaction. The aircraft is already three years late in entering service and bas cost nearly Elbn.

The Ministy of Defence has confirmed that, at the same time, it is purchase early warning aircraft to seek quotations for alternative from Boeing (the E3A Awacs or aircraft from US suppliers - principally Boeing, Grumman and Lock-

The decision, announced by Mr Norman Lamont, Minister for Defence Procurement, in the House of Commons yesterday, puts at least n temporary stop to many months of uncertainty about Nimrod. At one point, the project appeared in dan-

The agreement with GEC came late on Tuesday night. It involves a new contract for the next six months, as well as outline terms for completion of the work on 11 aircraft if the Government were to decide next September to continue with Nimrod.

Until then, GEC Avionics will be made prime contractor for the project. Funding will be shared between the company and the De-fence Ministry on a 50-50 basis up to a total of £50m.

The tough new terms for completion of the wbole project would in-volve a fixed-price, fixed-term contract, probably of two or three

Officials suggested yesterday this would result in the production of two or three prototypes which worked satisfactorily. It could then take 12-16 months to fit out the re-

maining aircraft. The company would pay half the costs until work was completed to the RAF's satisfaction and it would

GEC last night welcomed the arrangements for evaluating ministry's decision to seek alterna-

BY RAYMOND SNODDY

THE GOVERNMENT yesterday

confirmed that it plans to introduce a levy on the profits of Independent

Television companies earned from

Mr Douglas Hurd, the Home Sec-

retary, said that the present levy on

domestic ITV profits of 66.7 per cent

would be reduced by about 20 per

cent. The levy would be extended to

profits from overseas sales at a rate

of approximately half that on UK

further consultation with the Trea-

sury the UK levy will be finally re-

duced to about 45 per cent and the

foreign profits levy will end up at 25 per cent. Independent local radio will be removed from the levy "to

ease the financial burdens on the

It is expected, however, that after legislation.

the sale of programmes overseas.

Levy planned on ITV

overseas profits

meet all cost overruns.

Militants set for expulsion by Labour

By Margaret van Hattem

LABOUR'S national executive comcould meet the RAF's requirement at an acceptable cost.
The Government has four poss ble alternatives to Nimrod. It could

which would then be run jointly with the US and European allies.

The Defence Ministry will shortly

issue what it terms a "cardinal points specification" to all interest

ed companies, including GEC. It

of about £350m.

the end of last November.

sion of the contract,

The Government has not finally decided when the changes will take

effect, but the necessary legislation

will be introduced as part of this

year's Finance Bill, implementing

the provisions of the hudget.

OI LIV SUDS

advanced warning and control system aircraft), from Grumman (the Hawkeye E2C) or from Lockheed (the Orion P3-C). All of these could form an independent British early warning force.

It could also participate in the Nato Awacs fleet, presumably through the acquisition of extra aircraft

The report was approved at a

take a decision by early September.

Defence officials yesterday stressed that the RAF has not al-An angry crowd of Militant supporters, including six coach-loads tered its stringent performance refrom Liverpool and estimated at around 600 in all packed the pavequirements first laid down in 1977, when Nimrod was initiated by the ments outside Labour's Walworth Labour Government at that time. Road headquarters in south London The first aircraft were then expectthroughout the meeting and jostled ed to be in service in 1982, at a cost

> Both Mr Neil Kinnock, Labour leader, and Mr Roy Hattersley, de-

MPs from both sides of the Com-The meeting was punctuated by mons claimed the Defence Ministry was partly responsible for problems with Nimrod because of changes in the specifications and poor supervi-Mr Lamont said the problems reflected shortcomings in the management of defence procurement

which were being tackled by new Mr Kinnock afterwards dismis

"When there is substantial evidence that party members are in breach of the constitution, we must take action to put them out. We are a serious political party, not a funrun where anyone can join in. The party has generous boundaries, but they are boundaries and they must

However, Mr Heffer, whose posiencouraged him to accommodate the Militants, later dissociated him-Television, or SuperChannel, ITV's self from the NEC's decision. In a planned cable television channel for speech to the demonstrators as he left the meeting, Mr Heffer cried, "I believe comrades who have a differ-The Home Office explains that | ent point of view have n right to be the reduction in the rate of domes in our party, and I will always support that right."

tic levy is intended to encourage cost-consciousness and efficiency. Militants have threatened to res The approach to overseas profits should "preserve an incentive to companies to sell programmes on the international market," it says.

BRITAIN REAPS BENEFIT OF SURGING OIL EXPORTS

Current account surplus at three-year high

BY GEORGE GRAHAM

SURGING OIL exports helped Britain last month to record its largest current account surplus for three years. Visible trade moved out of deficit, while the balance of invisible trade climbed to nearly twice December's

The current account of the UK balance of payments, including both visible and invisible trade, showed a surplus of £1.14bn in January, the Department of Trade and Industry announced yesterday. The surplus for the month was as high as that re-corded in the whole of the last quarter of last year and only 15m

BY MAURICE SAMUELSON

He said that the South of Scot-

land Electricity Board (SSEB),

DUNLOPS automotive division, a

subsidiary of BTR, has won the de-

velopment contract for the supply

sembly plant of Nissan which is

scheduled to come on stream this

summer in the north-east of

Dunlop, the last British volume

supplier of steel car wheels, has

beaten off competition from West-

day by the Securities and Invest-

become the main supervisory body

The proposals have been issued

as part of the intended regulatory

vices Bill, now before Parliament,

requires that the main supervisory

body for the City of London must

have rules for the conduct of busi

ness by investment practitioners.

Under the new regulatory frame-

work, investment businesses and

practitioners will need to be author

rised either by the SIB or by a range of self-regulatory organisa-

tions, formed to supervise specific

investment activity, which will be approved by the main body. The draft rules published by the

SIB will affect firms which apply di-

rectly to it for authorisation as in-

vestment businesses. The rules also

set the standards by which the self-

regulatory organisations will be

judged by the SIB when they seek

These rules represent only n part

of the SIB's regulatory plans. There will be more rules relating to anver-

tising of investments, life insurance

selling, unit trusts, corporate fi-

nance and personal dealings by

General requirements

Independence: Investment advis-

ers, under the proposed rules pub-lished yesterday, will be required to

make clear the extent of their inde-

endence in their dealings. If a firm

providing investment advice recom-

mends the products of one firm, or

is tied to transacting business

through a particular firm, it must

disclose that fact to its clients.
"Over-riders" and "benefits-in-

kind": These will be banned. Firms

will not be allowed to give certain

nducements to other firms - or

their staff - to place business with

"Benefits in kind" that are in-

ended to be outlawed are items

such as free stationery, office equip-

The rule bans both the practice -

try - of increasing commissions re-

and the sort of mutual agreements

by which firms agree to reciprocate

Excessive charging and "churn-

not be allowed to charge excessive-

ly for its services. "Experience will

lead to more precision to this rule,"

says SIB, but it clearly requires

firms to charge in line with market

practice and not to exploit the

Investment firms, say the pro-

unsophisticated."

the introduction of business.

ment and paid holidays.

fund managers.

for the UK financial community.

of steel car wheels for the UK as

east coast of England.

below the highest ever level, recorded in March 1983. The Government is forecasting

a current account surplus of £4hn this year, with a substantial forecast in oil trade and invisibles offsetting a deficit on trade in manufactures.

January's figures are inflated,

however, by the payment of 2510m of value-added tax (VAT) abatement from the European Community, which boosted the balance of invisible payments to an estimated filbn in January. The current account surplus was also boosted by an unusually high surplus on oil trade in Jan-uary. Oil exports totalled 8.3m

Case against PWR juggled,

27 months. It was Britain's longest

In a direct challenge to the

important diversification for the

Nissan plans initially to assemble

24,000 cars a year at its Tyne and Wear factory, but it will take a deci-

sion in 1987 on whether to go ahead with a second phase, which could

The Nissan contract follows

push output to 100,000 a year.

Coventry factory, employing 550.

public investigation.

says power board chief

LORD MARSHALL, chairman of before the all-party Energy Studies

the Central Electricity Generating Group of the House of Commons, Board (CEGB), last night accused are the latest symptom of the rising

the electricity industry in Scotland tension in electricity supply indus-of "juggling" figures in an attempt try as it awaits the findings of the

to prevent Britain's first pressur- independent inquiry into the Size-ised water reactor (PWR) from be- well application. The inquiry anded

ing built at Sizewell, Suffolk, on the in April last year after running for

which favours the rival advanced SSEB's preference for AGR sta-

gas-cooled reactor (AGR) system, tions, Lord Marshall said AGRs

was using different criteria to com- continued to give "unpleasant sur-

pare them with PWRs and that fig- prises and that "very careful ures were being "juggled" to the study convinced the CEGB that the

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

tonnes, 26 per cent higher than the average monthly level in 1985, while imports were unusually low. This left a surplus in oil trade of £997m compared with the average monthly surplus in 1985 of £880m. The average value of oil exports in January was £138.40 a tonne. This was 25 per

cent below its level a year earlier. The favourable balance on oil trade contributed to a surplus on the total visible trade account of £140m, compared with an average monthly delicit in 1985 of £170m.

If oil and some other erratic goods - such as ships and pre-cious stones - are excluded, the

would save the electricity consumer

£50m a year over its lifetime in low-

er generation costs. Opponents of the PWR were comparing those es-

timates with optimistic target fig-ures for a future AGR's perfor-

mance and were not comparing like

The SSEB has questioned the

safety of PWRs and says that the

shortcomings of the first models.

which the CEGB has already

awarded £4m worth of contracts on

the assumption that Sizewell will

model. Ford, the only UK car as-

sembler to make its own wheels,

with like

production order would mean an a three-year deal to supply steel

next year.

underlying trade performance is weaker, however. British exports in January fell 7 per cent from December's level to £4.53bu, while imports fell 2% per cent to 25.47bn. In volume terms, exports in the last three months stood 1/2 per cent below the same period a year ago, while imports stood 4 per cent higher. Government officials said the

falling cost of imports would help to maintain downward pressure on UK inflation. The unit value of imports in the latest three hs has tallen by 1½ per cent

from the previous three month period, and by 6½ per cent from the same period a year earlier. **Teachers** closer to

wages deal

By David Brindle, Labour Staff

SETTLEMENT of the year-long teachers' pay dispute in England and Wales edged closer yesterday the problems of the lorries and when the National Association of trucks business. She said the tax-Schoolmasters-Union of Women payer could not go on financing the Teachers NAS/UWT, the second 40 per cent over capacity in lorries higgest union, declared a 68 per and trucks in Britain, and "sconer contrationism and trucks in Britain, and "sconer contrations" and trucks in Britain and trucks latest AGRs have overcome the cent majority vote for acceptance of or later there would have to be a the terms provisionally agreed five rationalisation. As part of his pro-PWR cam-paign, Lord Marshall on Tuesday visited a Norwich company to weeks ago through the conciliation service Acas.

Uncertainty still surrounds the crospect of a firm deal being struck, powever. Last night union leaders and employers were back at the London headquarters of Acas trying to sort out the disputed questionof a return to normal working.

Dunlop wins Nissan wheels contract The National Union of Teachers which represents just under half the 400,000 teachers involved in the dispute and which opposes the set-tlement, further clouded the issue wheels for Ford's British Sierra yesterday with its own 87 per cent vote in favour of continuing disrup-tive sanctions - although not has announced that it is pulling out of such manufacture by the end of strikes - in the event of a settlenent carried by the other unions.

Dunlop, with around 40 per cent The NAS/UWT ballot result of its 4m-a-year output of wheels going to Austin Rover, has been seekstacle to ratification of the deal at whole lot, including lorries and ing to reduce its dependence on the pay talks tomorrow.

GM move By Our Political Editor THE NECESSITY of finding a buyer for the Land Rover and cobin cial vehicle divisions of BL, the state-owned group, was emphasised yesterday by Mrs Margaret Thatch-er, Prime Minister. Interviewed on BBC radio she

said nothing to alter the widespread impression that sha believes a sale of Land Rover and Leyland Vehicles to General Motors of the US remains the only feasible solution.

Mrs Thatcher said she was fed

Thatcher

reaffirms

support for

up' with people protesting that BL should remain British and not putting their money where their mouth was. She said such people should put a bid together and should put up or shut up."

She also gave a warning against offending companies such as GM and Ford "who have been employing people in this country for a very long time and who are very miffed when their hids and offers to help

are pushed nway."
Mrs Thatcher repeatedly emphasised the need to find a solution to the problems of the lorries and

"Undoubtedly the best chance for the future is to think about the future of the trucks and lorries as well and to think about whether there is plenty of capital to develop them, to think about whether you could get a distribution network in the US which matters very much indeed, and to think about whether you can recover in the Middle East where the Japs have got a lot of the market."

Earlier in the interview she noted that there were "one or two bids to do a rationalisation on the production of lorries and trucks, and that is important."
This was in the context of warn-

ing against looking at Land Rover in isolation and in particular saying that purchasers could not just buy nevertheless clears the largest ob- the best hits but had to look at the

mittee (NEC) yesterday accepted, by 19 votes to 10, a report which finds that the Militant Tendency, the extreme left organisation, is breaching the party's consitution. It points the way to the expulsion leading Militant supporters from the Labour Party.

Mr Larry Whitty, the party's general secretary, is now empowered to draw up formal charges against 16 Militant supporters, based on evi-dence collected by a nine-member NEC inquiry. The 16 will be invited to put their case at the NEC's next meeting in March, but their expul-sion is widely considered inevitable.

stormy meeting which lasted most of yesterday. It details the many ways in which the Militant domi nated Liverpool District Labour Party has been disregarding party rules, and it recommends that the party be disbanded and rebuilt.

NEC members as they arrived.

Officials yesterday said that costs on an historic basis had doubled, alputy leader, were jeered and pushed as police escorted them through the crowd into the building. though in 1985-86 prices, £882m had been spent on the project up to

> bitter clashes between Mr Kinnock and left-wingers including Mr Tony Benn, Mr Dennis Skinner and Mr Eric Heffer, At one point Mr Heffer said Mr Kinnock's attacks on the Militants was "unforgiveable," while Mr Kinnock said Mr Heffer lacked courage.

sed suggestions that he had backed the report for purely electoral reasons. "I'm not even considering the electoral costs and losses, or benefits and advantages," he said. "It's just the right thing to do."

It is not clear yet whether the Zenith films, a wholly owned subsidiary of Central Independent Europe, will be affected by the

> ist expulsion procedures, in the courts if necessary, and the party looks set for a prolonged bout of

Rules aimed to protect investors DRAFT RULES to deal with con-flicts of interest in most types of quency, or recommend or effect such, including the date of that port to the customer. flicts of interest in most types of quency, or recommend or effect such, including the date of that port to the customer. broking, dealing and fund manage-transactions of excessive size. This trade, or (b) firm quotes in stated ment groups were published

ern Europe to win the contract. The closely Dunlop's success in securing state owned BL.

is known as "churning. The board expects investment ed sizes which are clearly said to be ments Board (SIB). The board is to businesses, as part of their compli- only indicative. ance and supervision procedures, to have checks against churning and. These will be required to report in investigating compliance, it their closing prices each day to the reforms of that community. Legisla-tion planned in the Financial Serdures as well as to actual dealing may designate another body to repatterns

Records of complaints: Invest-

sizes or (c) indicative prices in stat-

Off-exchange market makers: would have regard to these proce- SIB not later than 8pm. The board ceive this information.

Customer agreements: Services

The tax status and readily apparent liabilities of the customer such firm's opportunity to charge excesment businesses will be required to provided by broking, dealing and as school fees or imminent retire-

keep records of written complaints portfolio management groups to ment should be taken into account.

Customer relations: There will be The rule also requires that a rules to require a firm to do its best tomer be told if the firm is acting

to know its customer before per for someone else on the other side forming any services for him. The of the deal (a fact which might motiintention is that firms should only vate the firm in recommending the recommend or execute transactions transaction), unless the agreement that are suited to the customer's fi- provides for general permission to nancial situation, as far as it can be act in a dual agency role without

The Government is seeking to introduce better safeguards for investors to coincide with the major structural changes in the City of London this year. Yesterday, the new Securities and Investments Board unveiled its draft regulations for investment businesses. John Moore reports.

them impartially and competently. Records must be kept for six years. The SIB will have its own arrangemants for dealing with complaints against authorised firms.

Compliance with rules: Invest-ment businesses will have to maintain procedures for supervising each partner, director, employee and representatives (who may be exempt under the legislation).
Firms must review the effective-

ness of their supervision in all their UK offices at least once a year.

Investment broking, dealing and portfolio management: It is intended that the SIB will have the power to recognise investment exchanges. Rules have been drawn up which require firms which trade outside recognised exchanges to comply with reporting procedures and impose strict limitations on those who hold themselves out as market makers in securities.

A market maker is defined as a firm which holds itself out to deal in investments, quoting firm two-way prices every day. Market makers operating within, and recognised by, designated exchanges are to be known as recognised market

The purpose of these rules is to ing instructions; the way in which set a framework to protect investigations. The purpose of these rules is to tors in what are generally known as over-the-counter markets, both when they are dealing with unlisted common in the life assurance indussecuribes and when they are deal- and permission from the customer. ing with listed securities outside if he wishes, for someone other the market where they are listed. trospectively as the aggregate value of the business introduced rises.

Under the rules firms are pro-

Under the rules, firms are prevented from holding themselves out as market makers in futures, options and contracts for differences ing". An investment business will market makers in such investments except when they are recognised or do not deal with non-business or non-professional investors.

Advertising and market makers: themselves to professional and behalf. business investors. They can only If the firm is to advise on a specifposed rules, shall not recommend advertise more widely if any prices ic portfolio, the agreement must detransactions to customers or carry published are (a) those of the last tail what it consists of and the fre-

written agreement.

iness. Rules for these have yet activity. to be drafted.

Under the rules, a customer agreement for non-business or nonprofessional investors shall contain a description of the services to be provided; an indication of the customer's objectives: investment guidelines or restrictions, if any; and restrictions, if any, to specified exchanges or other markets.

A statement will be required if use of unlisted securities and investments not traded on a recognised or designated exchange. A warning will have to be given on the possible unreliability or lack of information about the investment and its issuer and the risk of illi-

The other information needed in the agreement is: its term if for less than a year; termination provisions; arrangements for receiving the client's instructions and for refuscated: the method of payment of fees and commissions; arrangements for reporting to custom If the customer is not to hold his

own money, the way in which his uninvested funds are to be held must be explained. The firm must also explain whether it accepts or rejects liability for funds in the customer's account of for loss of investments in nominee names.

Details must be established about There are no special restrictions on what is to be done with dividends, recognised market makers. Other interest and bonus issues received market makers may advertise by the firm on the customer's

from customers and to investigate customers must be governed by a The SIB will investigate thoroughly complaints from customers The rules published yesterday do who claim to have suffered severely not apply to sellers or intermedia- as a result of advice from, or dealries of collective investment or life ings by, firms - particularly advice assurance or to non-investment to maintain risky positions and/or business such as banking; nor do advice to go on trading when the adthey apply to corporate finance viser stands to gain from the

> "Best execution" rule: Rules have been drawn up which will require a firm dealing on behalf of n client to obtain the best price available under the principle of "best execution."

Other rules set out how a firm can comply with this rule and still either self-deal - that is, deal with the customer simultaneously as agent or principal, or engage in dual agency transactions. This will be permitted in four circumstances:

With written permission from the customer and disclosure on a case-by-case basis. When the customer bas agreed to

a matching transaction on the other • When the customer agreement gives a general permission (this can only be applied to marketed invest-

ments where best execution can be more readily checked). • For any type of investment which falls within n discretionary portfolio management agreement which permits self-dealing.

Remuneration: The draft rules require full disclosure of the basis on which a firm wil be rumunerated. This is intended to ensure that the customer knows in advance the basis on which he will pay a firm for example, a broker's commission rate - and whether the firm or connected person will earn a mark-up or put a mark-down on a

In most cases this information agreement, so general disclosures on remuneration in an agreement exempt a firm from the requirement to disclose case by case.

However, for execution-only or casual customers with whom there

case-by-case disclosure. This is designed to limit the sively.

Investments which are not mar keted: Disclosures will be required to be made to customers before the firm deals or recommends investments which are not marketed to or with ordinary investors.

This covers any securities not traded on a recognised exchange and therefore likely to be illiquid and/or issued by persons who do not necessarily provide regular and reliable reports and accounts.

Money market instruments will not be included as that would be inappropriate.

The rule will require disclosure of the firm's own position in this category of investment and any mark-

Material interests: Rules require disclosure of a firm's other material interests in a transaction. For example, if the firm has acted as a corporate finance adviser to a party involved in the deal, that must be

There is an exemption where the firm has "Chinese wall" arrange-ments, which are intended to prevent information gained in one part of a business being communicated

Other conflicts of interest: Rules set out the dealing order which firms should follow when executing transactions for customers and themselves. Unconnected persons orders should be executed before those of the firm itself or of its con-

nected persons.

This would prevent buying for the firm to on-sell to customers at a higher price if the customers' or ders had already been accepted. It would also prohibit selling from the house's book before executing an already accepted customer order to sell. "Accepted" means anyone accepted by anyone in the firm and known by the dealing arm of the

Other rules: There are a series of book-keeping requirements, a rule dealing with the registration and custody of customers' investments, and other rules relating to compliance procedures.

Consultation: The SIB welcomes comments on its draft rules and will be provided in the customer suggestions as to how they may be more effectively framed. Comments should be sent to the

Secretary, Securities and Investments Board, 3 Royal Exchange Buildings, London, EC3 by April 39. The "Conduct of Business Rules" will be no agreements, this rule reare available from that address.



itors

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'Time is ripe' for a full EMS role, say employers

BRITAIN should fully join the European Monetary System (EMS) without delay, the council of the Confederation of British Industry

is a Euro-currency and not a petrocurrency," Sir James Cleminson, CBI president, said.

In recent months, he said, sterling bad reached a competitive value against other European currencies - in particular against the D-Mark - and it was quite clear to industry that the time was ripe for full EMS membership.

Sir James, while urging immediate action, did not foresee any early change in the Government's position. Mr Paul Channon, the Trade and Industry Secretary, who had earlier addressed the council, said

MIDLAND BANK yesterday joined

the fight to capture a higger share

nounced that it had earmarked an

additional £1bn for lending to home

buyers. The hank's move came two days

after National Westminster Bank

announced that it was scrapping differential interest rates on endow-

ment loans (backed by life policies)

and introducing a new package of

BY MICHAEL CASSELL

joining the exchange rate mechanism but were still waiting for the

appropriate moment.
Such a position, Sir James said, (CBI) said yesterday.

"We need to realise that sterling was perverse." There has ever been rates." Not only was sterling down against major European currencies, thus boosting British exports, but it had remained stable for several months against the US dollar, in which vital raw materials prices

> For exporters, the present situafor exporters, the present stud-tion represented a "magnificent op-portunity." Sir James said, EMS membership would bolster confi-dence within industry that the ben-

Lloyds Bank has already re-vealed its revised mortgage terms,

although it is only scrapping the in-

terest rate premium on endowment

loans for new borrowers. An an-

nouncement of new mortgage guidelines from Barclays Bank is

Midland said yesterday that its

decision to make available another

Elbn for mortgage borrowers was

market. The bank has about £1.4hn policies.

evidence of its commitment to the and other elements of their lending

Banks drive for mortgage business

ministers accepted the principle of his department and to the Govern

Ministers, he said, did not share the "starker analysis" of the decline of manufacturing industry con-House of Lords. Nor did it favour put forward to resolve the perceived

Mr Channon did accept that manufacturing industry in the UK, as in all Western industrial countries, was bound to play a reduced role in

"The mix of activities in a modern ecocomy changes is bound to change and must go on changing as efits could be made to last.

Mr Channon said that manufacturing industry mattered to him, to

out on mortgage loan and is lending around £40–£50m a month. The fig-

ure is now expected to rise quite

The fresh look at mortgage lend-

ing policies among the clearing banks is clearly designed to step up

competition with the building socie-

ties, which now seem certain to re-

consider their own attitude towards

items like endowment premiums

They also rejected a claim by the Central Electricity Generating Board (CEGB) that foreign coal was so much cheaper than UK output that it could profitably import 30m tonnes of coal a year, well over a third of its annual consumption.

Sir Kenneth Couzens, who at Mr MacGregor's request presented most of the evidence to MPs, said he hoped the scale of colliery closures in the present financial year would not have to be repeated. "But we can't say closures are about to dwindle to nothing."

THE NATIONAL Coal Board (NCB)

jective of breaking even by 1987 would be made more difficult by the

chairman, deputy chairman Sir

Kenneth Couzens and other top NCB officials to the House of Com-

mons select committee on energy,

which is conducting a major post-

strike review of the coal industry's

Although closures would continue at a "normal" rate for an extractive industry, much depended on the market for coal and the NCB could give no guarantees. "So it is possible that while I think we are over
the big bump, there could be more

Collapse in oil price damages Coal Board aims at break-even prospects top 5% By Raymond Snoddy Mr MacGregor, predicting that

> from their present level, said he thought they bad been affected by a temporary "overshoot in a commod-

recent collapse in world oil prices. It is pinning its hopes on a partial ity market which has collapsed". In its written evidence to the recovery in oil prices, but says that if this does not occur more collieries committee, the NCB said a shortterm fall in the oil prices might could be threatened with closure. The board's views were spelled out by Mr Ian MacGregor, the strengthen the underlying factors which could cause oil prices to rise

long term,
While avoiding firm production and supply targets, such as those used in the 1970s, the board none the less suggested that if there was no prolonged and severe oil price collapse, the UK coal consumption in 1990 would range from 105m

tonnes to 115m tonnes a year. For 1995, it forecast UK consump tion at 105-120m tonnes a year and for the year 2000 105m-130m tonnes a year. Besides assuming that coal would maintain its price advantage over fuel oil, the NCB also said international coal prices would keep falling that the new cross-Channel electricity cable from France would import the power equivalent of 3m-6m tonnes of coal a year, and that nuclear power station capacity would reach around 14,000 MW.

Asked yesterday about the latest improvements in productivity, Mr Ken Moses, NCB technical director, said that next year some 80 per cent

Business magazine

BUSINESS, a colour magazine which claims that it will scotch "once and for all the notion that business is boring, is launched

Mr Nigel Adam, editor of Business, said that the magazine was aimed at the top 5 per cent of international executives and those who

would aspire to join them.

The first print run is 110,000 but it is hoped that the magazine will chieve a stable circulation of about 50,000. Between £3m and £5m is being invested in the magazine, which has a cover price of £2. The Financial Times bas a 40 per

jority shareholder is Conda Nast Publications, although Mr Kevin Kelly, the publisher, has a personal stake of 20 per cent. The magazine is being marketed

cent stake in the venture. The ma-

under the slogan "Money and pow-The first issue includes a survey

from Gallup, the opinion research organisation, on the main preoccupations of leading UK busin Fifty six per cent believe that over the past 12 months confidence in the City of London and its institutions has gone down. "Misma-nagement" by Lloyd's underwriters concerns 59 per cent, and 57 per cent think it is very important that the Government takes steps in the March budget to reduce unemploy-

Westland proposes Black Hawk as new Nato helicopter

in Europe and replacing the planned Nato helicopter for the 1990s was held out yesterday as an important part of the future for Westland, Britain's sole helicopter

Sir John Cuckney, Westland's clos chairman, acknowledged before the House of Commons select commit-tee on defence that the British Government had "for the moment" no requirement for the Black Hawk, which Westland is to build under licence from Sikorsky of the US under tha financial restructuring of the company agreed earlier this

Sir John, however, made it clear that the company believed it could manufacture an updated Black Hawk that would rival the planned NH 90 - the Nato helicopter for the 1990s – in which Britain, through Westland, is involved in joint fea-sibility studies with the French, West German, Italian and Dutch

Unless the NH 90 studies were edesigned to produce a completely new helicopter for the late 1990s and beyond, there would be little point in continuing with the project, Sir John suggested.

The NH 90 is one of three collaland under the proposals of the European consortium whose rescue plan for the company was voted down earlier this month. The European helicopter makers, led by

THE PROSPECT of the Sikorsky cision to opt for links with Sikorsky Black Hawk helicopter being built and Frat of Italy.

Sir John was discussing both the financial restructuring of the company and its future with the defence committee, whose inquiry into the defence implications of the Westland affair is drawing to a

The Westland chairman repeated that the company still did not know the identity of the beneficiaries of a block of shares totalling 20.85 per cent of Westland. But he agreed with Mr Michael Mates, a Conservative MP, that if the new shareholders were proved to have

shareholders were proved to have been acting in concert with United Technologies, Sikorsky's US parent, it legally would be forced into mak-ing a full bid for Westland. Sir John said the resulting for-eign ownership of Westland would make him unhappy, as the inten-tion had been to have Westland tion bad been to keep Westland British.

In reply to a question from Mr Dick Douglas (Labour), be said that the leaked contents of a controversial letter from the Solicitor General had not had any material effect on the way he had conducted a press conference on Westland's future on January 6.

Mrs Margaret Thatcher, the Prime Minister, had told the House borative European projects which would have provided work for West-was at the centre of the crisis over the resignation of Mr Leon Brittan as Trade and Industry Secretary, had been leaked on January 6 because it was necessary that the facts it contained should be made France, have expressed worries at its possible fate after Westland's depress conference later that day.

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Ministry to cut advance money on defence work

BY OUR DEFENCE CORRESPONDENT

THE MINISTRY OF DEFENCE. Mr Younger also told the Insti-(MoD) intends to reduce the advance payments it makes to British Heseltine's key policies - multinadefence contractors on a wide range tional defence collaboration - was of business worth more than £8bn a imperative. Collaborative projects,

payment "until such time as the to change the system. goods are produced, proved to meet our requirements and are suitable for the armed services to use.

The ministry had in the past made interim payments of up to 100 for the armed services to use.

today, are seen in the MoD as a key ture, he said. However, interim paypart of the policy to increase value ments would not be eliminated. The for money from the defence pro- intention was to ensure that concurement budget, at present run-

ning at £8.5bn a year. The Government's intention to still further seems to indicate that contract payments after discussions the new Defence Secretary intends in the defence industries council, a to pursue the policy advocated so body comprised a senior civil serwarmly by his predecessor, Mr Mi- vants and industrialists. The prechael Heseltine, who resigned last cise nature of payments is likely to

year, particularly those involving Europe, would appear more prominently in forestrary, will today discuss with industrialists proposals to withhold "a significant part" of such contract reasons, Mr Younger said.

payments. Defence contracts which are not He told the Institute of Directors, subject to advance payments are a annual convention in London Plat, rainly and Mr. Younger, frod deli-in future the MoD would withhold cately as he signalled his intention

The new proposals, which will be per cent of costs incurred by a contractor and these would be reduced. Interim payment of profit would tional Defence Industries Council "normally be discontinued" in futractors had an incentive to supply goods on time.

Mr Younger apparently hopes to ighten the terms to contractors produce guidelines for industry on vary from contract to contract.



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UXEMBOURG IN THE NEWS A report for international decision-makers

Luxembourg building on solid ground as an international financial center

Three distinctive trends continue to govern money and capital markets: Barriers between domestic and international markets are being dismantled; traditional bank lending is being fused with, if not ubstituted by, standardized financing vehicles, and the increasing use of innovative investment and lending techniques is both cause for and consequence of a more enlightened environment provided by governments and supervisory authorities. Luxembourg as a financial center is proving that it is well placed and well

repared to meet the challenges arising from such developments The emergence of a truly global marketplace for finance, the growing securitiza-tion of money and capital flows and, within that process, the increasing awareness of the need for deregulating market structures and practices without financial anarchy are having profound effects on all financial centers. Luxembourg is no exception. Indeed, some of the changes have been and still are most visible in this mem-

ber country of the European Community.

Luxembourg moving forward

Change

Luxembourg is coming to grips with most of the new challenges. Old and new financial institutions have been demonstrating a degree of flexibility and ingenuity that has carned them respect and admiration both from competitors in other

centers and from discerning clients. The unique attractions of Luxembourg are a combination of factors that all fall under these categories: reliability, quality and flexibility. Add to this the natural advantages of easy accessibility due to its hical location and a long-established tradition as a neutral meeting place for ideas, cultures and trade, and it is clear why the international financial center of Luxembourg is, contrary to some misconceptions, alive and kicking – and growing.

Over the past five years, it has become fashionable to link the visbility of Luxembourg as a financial center to the relative decline in the importance of the Eurolanding business or, at least, Eurolending's declining profitability for the banks involved. Yes, Laxembourg's international banking community did experience only modestly growing balance sheet totals—as did banks all around the world that were faced with the shock consequences of over-exposure to doubtful or bad international risks. But with a share of slightly less than about 9 percent of the total for European banks in the BIS reporting scheme, it does rank third after the United Kingdom and France, an unchallenged position it already held five years ago.

Diverse service potential

Each of the 119 banks in Luxembourg, 107 among them subsidiaries or branches of foreign banks, bas, of course, its distinct reasons for maintaining its presence there. The pursuit of wholesale business may still be the dominant objective for some of them. Others regard Luxembourg as a natural location from which to service their commercial clients in neighboring comuries. In addition, an increasing proportion of foreign banks have been and are exploring new areas of activities in the context of private banking. As elsewhere, fee carning business has become the

word for the eighties.
The shift in emphasis is not always deut from just examining balance sh The Institut Monétaire Luxembourg for instance, stopped including fiduce accounts in the overall banking statis as from 1984. But one important feature is obvious to everybody: the of interbank to non-bank deposits changed dramatically. From an avera

Foreign currency liabilities as %

Share in Euromarkets % of assets²⁾

of which on the non-bank sector

Share in Euromarkets % of Habilities[©]

of which on the non-bank sector

almost 8:1 in 1979, it has declined to below 4:1 in 1985. The implications are that refinancing of the Luxembourg banks' lending business is becoming less expensive and that in general terms the commercial and private clientele is increasingly using Luxembourg for international transactions.

The explosive growth of the market for international securities is reflected in a quite remarkabla share of the business for Luxembourg-based institutions. Indeed, just as Luxembourg was involved in the very birth of the Eurodollar bond market in 1965, so the more recent upsurge in the importance of ECU-denominated instruments must also be credited to the pioneering spirit of Luxembourg.

Today the share of Luxembourg-based underwriters of public international bond issues is as impressive as ever - and increasing. In the first half of 1985, it stood at 51.5 percent for the total of all new Eurobond issues against 25.4 percent in 1984, 22.7 percent in 1985 and 16.5 percent in 1982. In absolute terms, the deals with a Luxembourg connection amounted to the equivalent of \$ 20.8 billion out of a world total of \$ 66.5 billion in the first half of this year, compared with \$ 16.8 billion (\$ 71.5 billion) in 1984 as a whole and \$5.1 billion (\$ 11.5 billion) in 1976. Moreover, 62 percent of all Eurobond public issues have a Luxembourg listing.

For some market sectors, including the ECU-denominated bonds, the record is even more impressive. Bond issues denominated in the European Currency Unit have, within the last three years, consistently gained in importance. ECU bonds meanwhile make up the third largest sector in the international bond market, after US dollar and DM issues. In 88 percent of all ECU issues since 1981 Luxembourg institutions play a decisive role, and almost without exception, all these ECU ssues are listed on the Luxembourg Stock

Private banking on the rise

The approach to this field of activity varies, but a clear pattern seems to be emerging. While there are still a number of banks that most probably will continue to conceotrate on wholesale business and/or to offer trade-related services, many banks in recent years have begun to step up the development of their private banking business. Some of these, mostly long-established banks with strong domestic roots, have no difficulty offering home grown full service facilities complemented by a strong international presence in other centers. Other banks, as a rule usually those that are part of a large network of multinational banks, confine themselves to the role of personal advisory posts channeling individual customer requests through to their own worldwida system of research and special services.

Thus, from money market and foreign exchanga operations to Eurofinancings, from the establishment of offshore holding companies to assistance in all types of trade financing, from the buying and selling of securities and precious metals to trust administration and to portfolio management - Luxembourg-based financial institutions are outgrowing earlier perceptions of their existence.

Record

deg stri as l are and rela	The Grand Duchy enjoys a very high degree of stability. Its political and social structures reflect traditional values such as liberty, pragmatism and diligence, and are supported by a sound constitutional and legal framework. The country's labor relations record is exceptionally good. Government finances are healthy. Infla-					
1975	1981	1982	1985	1984	1985 ¹⁾	
76 64 5,846 5.7 1,478 84.8	115 102 8,069 5.0 5,081 87.7	115 102 8,621 5.4 5,987 89.0	114 102 9,024 5.7 6,592 89.2	115 105 9,382 5.9 7,531 89.0	119 107 9,676 6.0 7,478	
	1975 76 64 5,846 5,7478	The Grade degree of structures as liberty, are supposed and legal frelations Government 1975 1981 76 115 64 102 5,846 8,069 5.7 5.0 1,478 5,081	The Grand Duddegree of stability structures reflect as liberty, pragmar are supported by and legal framew relations record Government final 1975 1981 1982 76 115 115 64 102 102 5,846 8,069 8,621 5,7 5.0 5.4 1,478 5,081 5,987	The Grand Duchy end degree of stability. Its possibility as liberty, pragmatism are supported by a sour and legal framework. The relations record is exe Government finances are Service of	The Grand Duchy enjoys a degree of stability. Its political as structures reflect traditional value as liberty, pragmatism and diligare supported by a sound constant and legal framework. The count relations record is exceptions. Government finances are health and the supported by the support of the suppor	

21.2 20.1 19.0 17.5 17.5 17.6

Share in Eurobond mgmt. groups (%) 40.4 21.6 16.5 22.7 23.4 51.5 Eurobonds with Luxembourg listing (%) 62.6 45.4 47.9 61.9 57.5 61.8 End of September 1985, except for number of employees, share in Eurobond managen groups and Eurobonds with Luxembourg listing, which are for end of June 1985. 2) Share of Euromoney market, as reported to BE by 15 European countries: before 1985 without Finland, Norway and Spain.

9.0 9.2 10.5 7.7

Sources: Institut Monétaire Luxembourgeois, Bank for International Settlements.

tion and unemployment levels are decisively below European averages. There are no restrictions on capital transactions. The principle of strict confidentiality in banking is stipulated by law. Furthermore Luxembourg does not have withholding

tax on interest. The international outlook of the people of Luxembourg comes naturally and is firmly rooted in Europe's history. The independent status of the Grand Duchy, first recognized by international treaty in 1867, has been a stimulus for making nbourg the seat of major financial EC institutions, such as the European

Investment Bank, Directorate General for Credit and Investments of the EC Commission and European Fund for Monetary Cooperation. It is also the home of the Secretarist of the European Parliament, the European Court of Justice, the Eurocan Court of Auditors, and the European Office for Official Publications.

BY KARL GRUEN

The Government, including the regulatory and supervisory authorities for the banks and other financial organizations, has consistently demonstrated a high degree of firmness combined with pragmatism in safeguarding the soundness and integrity of the financial system.

Facts about Luxembourg

Area Population Working population neighboring countries

Employment by sector

Government

Main political parties Languages Currency

GDP per capita Number of banks Total bank assets

2,586 square kilometers (approx. 999 square miles) 366,000, including 96,000 resident foreigners 150,000, including 15,000 commuters from

Industry Construction - 14,800 Agriculture - 7,000 - 57,800 Services

Constitutional monarchy with parliamentary

Christian Social, Socialist, Liberal Democratic French, German, English, Luxembourgish Luxembourg Franc (Lifts.)

Lirs. 564,000 (US \$11,000)

Lfrs, 7,478 billion (US \$ 156.71 billion, September 1985)

"Solidity Combined with Flexibility"



Interview with Remy Kremer, President of the Association des Banques et Banquiers Luxembourg (ABBL) on the future of Luxembourg as an international financial

Question: Reviewing bank balance sheet totals, growth overall seems to have slowed down. What are the implications for Luxembourg as a major international banking center?

Kremer. Slowdown in asset growth is a universal development common to most institutions active in international lending. Luxembourg banks, with their historically strong positions in Eurolending, are no exception but the emphasis is more than ever on quality rather than growth only. In its regular quarterly statistics, the Bank for international Settlements recently reported only "modest" increases in external assets by banks in the U.S., Canada, France, Germany, Italy, Switzerland and the United Kingdom, whereas banks in Luxembourg were reported to have shown "significant external asset

Question: What does this growth

Kremer: First, a global shift in banking activities cannot be associated with the performance of one particular centeronly. Second, Luxembourg's important role as a Eurocenter is reconfirmed. And third, halance sheet totals alona do not necess arily reflect the soundness or viability of an enterprise. In the case of Luxembourg. for instance, one should bear in mind that lending to Western borrowers makes up almost three-quarters of the banks' total lendings. In addition, modest net profits in many cases may well be the result of prudent policy in regard to loan loss s. Another important measure of quality is also oot reflected in balance sheets, namely the growth in fee income.

Question: What specific areas represent substantial growth potential for banks in Luxembourg?

Kremer: Each bank has, of course, its own strategy. However, Eurolending will, for a number of banks, continue to be a solid base from which to branch out into other service activities. Currency dealing, trade related services as well as the issuing and placing of international capital market instruments will continue to be key activities. For an increasing oumber of Luxembourg-based banks, private banking will certainly account for a greater share of

Ouestion: What's the special appeal of Luxembourg for private banking?

Kremer: The positive trend over the past five years has clearly documented that Luxembourg-based banks and financial institutions have excellent potential to broadeo this service aspect and build on an already impressive tradition. Our political and social environment is stable. The country's legal and fiscal framework is attractive and reliable. Our banking legislation provides a degree of confidentiality second to no other international financial center. Customers are assured of being served by a professional and highly motivated multilingual staff. We have tha necessary infrastructure. Fees at all levels are highly competitive in comparison with those of other centers.

Question: With the emphasis on more and more securitization, will Luxembourg's traditional strength in providing services to the Eurobond markets lose some of its appeal?

Kremer: As more and more investors and borrowers turn to securities as an effective means for channeling funds, competition for providing the necessary services will grow. We are not preoccupied with "market share" as loog as Luxembourg business thrives in absolute terms. When the Eurobond market was born, Luxembourg was an integral part of that process. Io view of the market's global development, today's some one-third share of Luxembourg participations in the launching of public Eurobood issues is still very decisive. The same applies to Luxembourg's key position in having made ECU bond issues the third largest sector in international capital markets, after the US dollar and the DM.

Question: What makes you so confident that Luxembourg can meet the challenge of rapidly growing diversifi-cation and sophistication in international money and capital markets?

Kremer: Luxembourg's involvement in the Eurobond market, and in particular its role in the rise of the ECU from a mere basket currency unit to a widely accepted investment vehicle, underlines our center's creative and innovative potential. Moreover, the universal bank character of the majority of financial institutions in Luxembourg allows for quick adaptability to changing business conditions. As for socalled innovations, Luxembourg's banks are, of course, equipped to serve clients who want to use the latest financing and/or investment instruments. But both our banking authorities and the banks themselves will continue to exercise caution and judiciously evaluate these instruments. Luxembourg banks have developed a profound understanding of the needs of their international clients and know that they expect, first and foremost, solidity combined with flexibility.

Luxembourg makes private clients feel welcome.

For many international investment advisors and portfolio managers, life begins with large sums. Their highest ambition is to serve either institutional investors or wealthy individuals, ideally both. Knowledgeable international clients, with large and not so large amounts to invest, are increasingly demanding that professionalism and personalized service go hand in hand: In Luxembourg, the number of private clients is swelling and this is one of the main reasons.

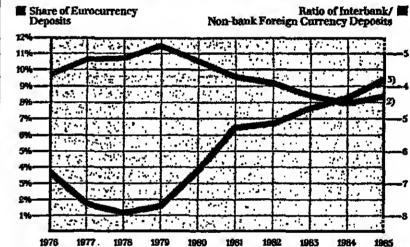
For at least two-thirds of the 119 banks registered in Luxembourg, private banking is a significant part of their business, although most of them still rely heavily on

Luxembourg has a tradition in private banking. For many years, the Luxembourg banks have successfully served both domestic and international clients. The proverbial Belgian dentist, that retail investor in the Eurobond market who allegedly purchased vast oumbers of Eurobonds never to sell them again, was seen around Luxembourg long before the beginning of this decade when more and more foreignowned banks operating in Luxembourg began to strengthen their private banking

With international investors becoming more sophisticated, the species of the Belgian dentist has grown both in stature and in oumbers in other countries as well. Drawing on the facilities and infrastructure built up during the Eurolending boom years, many banks have found that private banking has added rewarding dimensions to their activities.

The growing number of international investment funds and investment trusts registered and administered from Luxembourg suggests that banking and trading facilities compare favorably with those in global money and capital markets in general. Since the end of 1981 alone, 66 new funds have been added to the list of officially registered funds now totalling 147. At the end of June 1985, their total assets amounted to the equivalent of Lirs. 476.3 billion (US \$ 7.69 billion), almost six times the average during the seventies.

Growth of Private Banking Deposits⁹ in Luxembourg



Luxembourg banks' share of Eurocurrency deposits in percent of total for European banks reporting to BiS: Belgium, France, Germany, Luxembourg, Netherlands, Sweden, Switzer-land, United Kingdom. From 1977 also Austria, Denmark, Ireland. From 1983 also Finland, Spain, Norway.

2) End June. 5) End September.

Sources: Institut Monétaire Luxembourgeois, Bank for International Settlementa.

Private banking in Luxembourg has a number of distinct advantages. These include very competitive banking and brokerage fees, for international clients the freedom from tax on their investments, and the absence of transaction taxes on secondary market dealings. Luxembourg is also one of the rare places in the world where there are no tax charges on the purchase of precious metals. Moreover, foreign holding companies have for many decades enjoyed relatively low taxes for their incorporation and annually after that.

One of the most important "structural" advantages Luxembourg has built for itself and its international clients in recent years, however, is its banking legislation. The Banking Act of 1981, for the first time, formally acknowledged a long standing tradition of confidentiality in the relation of bankers with their customers. The provisions of that legislation compare very favorably with anything similar in other financial centers. For everybody to whom confidentiality in money matters is important, it is more than reassuring that bank secrecy as such is legally institution-

Impressive as all these advantages are, they still do not fully explain why more and more international investors are choosing Luxembourg for their private banking needs. Luxembourg banks do not claim a monopoly on efficiency. But they rightly can point out that they have, in addition to their broad range of service facilities, one important psychological weapon in their arsenal. Customers, big and small, are made welcome not only with competitiva fees, professionalism and flexibility, but also with a very personalized approach which has become the hallmark of most of the Luxembourg institutions. As one not unimportant investor put it recently: "When I'm in Luxembourg, I do not have to prove first that my net orth is at least half a million before I am offered a seat."

> Mr. Jacques Grosjean, Press Secretary, ABBL, Luxembourg Bankers Association, B.P.13, L-2010 Luxembourg.

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Fair faces and fine fortunes

Colnaghi's expansion Into the apecialist field of Brilish portraiture was aignalled a while back by an ambitious exhibition in the Bond Street Galleries called English Aucestors. A second abow. The British Foce, consolidates this commit-ment (uotil March 29).

The range is from the early to range is from toe early
to cectury up to the mid-19th
but with an emphasis on the
18th and the so-called golden
age of British portraiture.
Sixty-one paintings are included, supplemented by some
marble busts and contrait marble busts and portrait engravings. Everything is from stock. Obviously one could not expect a dealer to be able to represent alt the majar figures from atock; thus Hogarth, Zoffany, Siubba, are minimally

represented, if at all. There are no small conver-salion pieces. There is a fice Gainsborough head and shoulders, and two good but not outstanding Reynolds—but also fine mezzotints after Reynolds, while the full strength and matchless variety of Reynolds is slill visible at the Royal Academy until the end of

At Colnagbi, other painlers are represented in peak form, especially Lawrence and Romney. Lawrence's whole leogths of Sir Robert and Lady Wigram, around 1816, may well record the silters' ageing features with some kindness, and Lady Wigram's 17 preg-nancies bave left oo cloud on her smooth and alert coun-tenance, but both portraits offer compulsively enchanting like-

Sir Robert, though set against a background that hints at architectural grandeur, looks out from his sober black suit with a certain ahrewdly guizzical modesty, as a con-fident, comfortable busioess success. His wife, too, is in black, but a richly patterned black, but a richly patterned Indian shawl cascades colour across the velvet, while the costume reflects that "Elizabetban" taste which patriolic Britishers adopted in the years after Waterloo. Lawrence's technical brilliance is at its most dazgling in her judgment.

of technique: these are not blurred by the ubiquitous pregenerally predominant characteristics of mixed assemblies of studio repetitions, copies, and
British portralts, but the exercises "in the manner of,"

Two excellent originals at but verbatim, apart from the son.

most dazzling in her judgment,



bigher than in Colnaghi's first essay in the genre. It is delightful, as you enter, to be confrooted by two Restoration portraits of superb brilliance and presence, William Wissing's name is far from which a foundable male head and shoulders. It is conventional in design, yet be imposes an individual character upon us not a whit quenched (as teods too often to bappen in this period) by the wig.

Colnaghi's will quell such doubts. One is a fine late portrait of a woman with a guitar, the other, still more striking, an earlier three-quarter length of the most mother in her right mind would entrust ber daughter to him alone in a taxi, but be is superb.

Both Lely portraits acknowledge the influence of Van Dyck, who is represented by a portrait of the Earl of Craven, attributed surely rightly to the

Wissing was an immigrant Dutchman who died at the age of 31, before perhaps he had

Master Knox of Airdrie painted by Sir Henry Raeburn

Both Lely portraits acknowledge the influence of Van Dyck,
who is represented by a portrait of the Earl of Craven,
attributed surely rightly to the
studio of Van Dyck rather than
as autograph throughout. The

In real life Hamilton's head proved vulnerable to the con-quering Parliamentarians, but it seems rather macabre of another painter to have used the body as a prop for a por-tralt of Cromwell. Robert Walker, chosen portraitist of the Roundheads, remarked that

be liked to use Vao Dyck poses as they could not be bettered, and indeed the composition, full length in black armour, as in the version of Lord Craveo bere, does project an authority of command.

of command.

The exhibition offers a fascinating display of sucb role playing and assertion of status. All through it, the painters present well-fed, richly clothed and amply fleshed people with comfortably assured expressions (an exception perhaps is Raeburn's troubled face of Mrs Duncan). In a foreword to the etaborate, illustrated catalogue (£10), Richard Herner meditates on the revival of interest tates on the revival of interest in British portraits and notes a fading of "any repugnance towards the presence of non-family portraits" in private

Clients and artists agree on the importance of being seen at their best; nevertheless, an engaging diversity of convinciogly individual and lively characters emerges from the sbow. The calalogue, if for the art-historian often grievously short on details of provenance, rightly offers rich blographical detail about many of the sltters, while excellent essays on apecific aspects of the art and its conventions will help newcomers to "read" the portraits. An un-expectedly strong core of talent among lesser-known painters is revealed, whether they be natives, immigrants or

foreigners patronised by grand The image that remains with me most vividly is by a better-known artisl, the favourite of the British when in Rome: Batonl His subject, Sir Edward Dering, a dottly eccentric and

faithfully reproduced in the mustiness of the stage picture, Britishers adopted in the years of 31, before perhaps he had head, which may or may not be probably tiresome young from Van Dyck's own hand, baronet, leans on one elbow onest dazzling in her judgment, Quality of art, free brilliance of technique: these are not blurred by the ubiquitous pressure and setting in the carvas and reveal himself and the age of 31, before perhaps he had head, which may or may not be probably tiresome young from Van Dyck's own hand, baronet, leans on one elbow while glancing askew with the certainly to the body below.

Lely's own reputation is blurred by the ubiquitous pressure and setting in the carvas and reveal himself deed served for other clients, the carvas and reveal himself. where Leooard Tucker's orange lighting plays reverently across the flower print dresses, tasselled lampshades and the overcrowded interior of the split-level house. Out back of the verandah, Eugene pitches a ball while his mother plumps and even for other painters, to as an outstanding actor of use, Van Dyck's portrait of the Duke of Hamilton uses them all markably like Mr Rowan Atkin-

cusbions, yells instructions and prepares the ultimate tragedy —"liver and cabbage for

London Philharmonic/Festival Hall

David Murray

The LPO played very well paragraphs at a time can go and through which he often often with a hard glitter at its or Georg Solti on Tuesday, propulsively by without the gets brilliant results, cramps peaks.

articularly in the Seventh listeoer registering salient The Bruckner Seventh had Solti compromised his admirfor Georg Solti on Tuesday, listeoer registering salient turns in the argument.
M/C 15 8/81 particularly in the Seventh Symphony of Bruckner, but it wasn't a great Solti evening. Solti cannot give an unintelli-Haydn's C minor symphony possed by without much incident. The Allegro moderato gent performance, and it is easy enough to imagine (or remember) periods in which Solli's style of Bruckner would

come as a bracing tonic— perhaps even his style of Haydn, whose Sympbony No 95 opened the programme, though that would take more imagining. Just now, however, he does acem smooth, hard-edged and delermicedly brisk in the Viennese repertoire: he doesn't mull over things, and the result is that three or four

The Bruckner Seventh had a wonderful opening, its first arpeggio-phrase for cellos and horn (an unabashed cousin of Wagner's Rhine-motif) most beautifully shaded and tapered. sounded brittle, somewhat clat-tery, though energetic enough Many later passages were ahaped with as much precise that the development section (which is nolably tough and concise) was shugged straight through. The slow variations were potitely mild, the Menuet was colived by Robert Truman's solo cello; the Finate was bright and speedy without any suggestion of high spirits or witty ingenuity. Might it be that the tight regimentation Solti likes from his orchestras,

able decision to keep to Bruckner's modest double wood-Bruckner's modest double woodwinds by doubling the horn
quartet at tuttis throughout,
and they regularly skewed the
halance: Skryabio's Poem of
Ecstasy is designed for horny
bellows on that scale, but not
Bruckner's Seventh. The

Brighton Beach Memoirs/Lyttelton



Steven Mackintosh and Frances de la Tour Jack, Eugene's father of Polish Jewish stock, cuts material for raincoats and makes up extra money by sell-ing party favours out of cardboard suitcases (Harry Towb's first trudgling entrance is not the only reminder that this is Arthur Miller territory). His wife Kate, superbly played by Frances de la Tour, launched and resentment, is of Russian Jewish origins, her widowed sister Blanche (Alison Fiske) a

masturbation as a hobby in between losing his store-assistant job and (second act catastrophe) seventeen dollars at poker. Eugene is being driven crazy by the stage-struck elder cousin's developing curvature and creamy thighs.

In New York, Gene Saks'a sparkling production took a strong purchase on Simon's use of Eugene as both family gofer and audience go-between. The part was played up to the Ingratialing hilt by Matthew Broderick, whereas the quietly expiring lodger along ingratialing hilt by Matthew with Blanche's two daughters. Broderick, whereas the And Eugene has a brolher Stanley, who lectures Eugene on the joys and usefulness of quietly, I prefer this approach,

but tt does weaken the grip of the play. Mackintosh, bespec-tacled and ginger, has an easy charm, but you do not really care very much whether he jacks off or writes a master-nice.

As war looms on the Bakelile wirelesa, what Eugene refers to as "Chapter Seven: the Infamous Dinner Scene" is a cleverly constructed pattern of silencea and blunders. People are getting on top of each other and, tater there are some continuous terms outbusts. grim outbursts between Kate and Blanche, years of submerged antagonism spilling over before the latter's chance

of escape with an Irishman opposite are finally blasted. The structure shows a fcw joins here: one minute every-one's leaving, then they're not, or coming back, and finally a boalload of relatives is on its way from Poland. Eugene probably will become a writer, little Nora, jealousies buried over the younger "ailing" sister, prob-ably not a Broadway star.

The pleasures of the productlon—which, incidentally, nonc of the five NT companies seems anxious to claim—are minor anxious to claim—are minor and rooted in Simon'a rhythmic, idiomalic turns of phrase. Eugene is asked what happened —"I dunno, but it's my fault"; Jack bears someone has a problem—"If you didn't, you wouldn't live in this house." Rudman and his cast avoid the trap of apeing a New York Jewish delivery, letting the writing do the talking. Half a cheer for that much at least. cheer for that much at least.

Die Winterreise/Wigmore Hall

Richard Fairman

Technically Hemsley can feel his way through the cycle with great skill. He can shape a legato line as fine as any junior the nocturnal bush of "Das Wirtsbaus" was quite unbroken -and towards the end the old power returned, though those ends of somes are now managed

familiar, idlosyneralic timbre (so covered and a tourh nasal in quality) has never been an iostrument of many musical colours and is not one now.

As Schubert's journeyman, followed a straight and unhurried path. In this reading there were no exaggerations, no intrusions of theatre, nor —

immobility.

The cycle was given with an last year. interval. Like every other aspect of the performance, this had been well considered and Hemsley gave his reasons, both diately recognises a voice of in-Artistic and musicological, in the programme. But Die Winterreise, so unequivocal a masterpiece in sustained musicological, in the programme. But Die Winterreise, so unequivocal a masterpiece in sustained musicological, in diately recognises a voice of unattended in the distribution of with care, rather than passion, is surely one on the same material. The journey that does not want a sound-world is bare yet capable The drawback is that his restling place. Neither Hemsley nor bis supportive accom-panist, Roger Vignoles, seemed in much need of lt.

'Dalliance' for the Lyttelton

The National Theatre is to more regretiably — any moments when individual sights or feelings seemed to stir the traveller's imagination. Hems-ley's performance was plain

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The

Fires of London/Elizabeth Hall

Max Loppert

Sextet, first played by the Fires

Persistence, in this case, was

particularly rewarding: for in Northcott's music one imme-

sound-world is bare yet capable
of sudden lyrical flowerings—
Carter's toughly energetic
rhythmic simultaneities and
Copland's glittering chordal
pile-ups, two apparent influences, lend a bracing openair quality to the cluse musical working. A critic (Nortboott is, of course, an admired colleague on the Sunday Tele-graph) who can write music is

Quite a few singers celebrate and natural, the product of the 30th anniversary of their debut, but it is unusual for them to mark their 35th as Thomas Hemsley did in his Wigmore stood quite still with eyes Hall recital featuring Die Winterreise on Tuesday.

The Fires not only commission works and give their first it's an ambitious knitting-performances, they persist with them thereafter. This admirable practice on Tuesday night gave us the second performance of Bayan. Northcott's Cartel first it's an ambitious knitting-performances, they persist with them thereafter. This admirable practice on Tuesday night gave us the second performance of Bayan. Northcott's Cartel first played by the Fires movements — the alignment of the cycles with the movements in its American Place Theatre's production of Drink-

variation lacked demarcation;

Probably what was needed for clarification was an immedi-ate second hearing; but no doubt the Fires will be ensur-ing one at a later concert. This one was generously filled, almost to a fault—of the two Maxwell Davies clarinel-and-plano works, Hymnos and the early sonata, one could perhaps bave been spared to another occasion. The Fires' tutelary deity bad himself also produced a selting of songs by Charles Dibdin called Excuse Me that proved to be an hilarious and unsettling odd-bail exercise in time-travelling. Mary Thomas, despite a severe

American

the cycles with the movements in or in parallel, but rather works elaboralely across their confines. I failed to gain a very clear-cut impression of the music, and felt that the distinction between the three kinds of young man dressed in a demure white shirt. Mr Bogosian starts white shirt, Mr Bogosian starts the performance reading slowly from a college notebook about taking LSD. It aeems like another of those new-fangled performances where the minor escapades of a moderalely engaging raconleur gets by tbanks to unwarranted sympathy from the audience.

10.28 30 3 4 38

cupied wilb more urgent fan-

tasy options of a try-out with the Yankees or a glimpse of

bare breasts.

The mustiness of the era is

Then Bogosian downs what looks like a pint of cheap wine and begins a fascioating series of character sketches. The first and last are down-and-out drunks for whom standing still ls a precarious exercise.

Mr Bogozian is adept at subtle turns of phrase and actions that barely alter his boyish charm bot completely

New York Theatre

Frank Lipsius

Bending down to the floor while be supposedly goes for a against off Broadway's cup of coffee; quickly he prepared and palliative mood. In the prevailing spicocalne before negotiating 1980s, the Chicago-ba a television miniseries on the penwolf company respectively. Bbopal disaster — "a misuoderstood multinational" — for Richard Chamberlain, "one of the great actors of our time."

But the hilarious throwaway lines merely punctuate the fully realised portraits of engaging visitor Davies a wild-eyed Santa people who finally step over Claus while Gary Sinise turns the edge. Not all are funny: a beroin addict gets ready to shoot up while explaining in a ingratiating characters and

he becomes a West Coast talent not obscure the underlying agent makes his caller hold on compassion that marks the a call from New York. The sketches. The bite of Bogosian's agent makes his caler hold on wit is all the more remarkable against off Broadway's besitant In the prevailing spirit of tha 1980s, the Chicago-based Step-penwolf company revives (at

the Circle In the Square Uptown) Harold Pinter's The Caretaker, Director John Malkovich manages to both senti-mentalise and toughen the play. He makes Alan Wilder as the

The bumour and mimicry do example, squirting a water pistol at the falthless wife. After his Vietnam plays,

David Mamet turned to the domestic jungle with In the Boom Boom Room, which was revised for an off-Broadway run at the South Street Theatre. Though ostensibly exposing the exploitation of women, the play has plenty of exploitative cheesecake. It introduces a fabulous ingenue turned fabulous ingenue turned hardened dame in Laurie Graff, a stand-in who steals the show.

Oce-time biting observer Israel Horovitz, whose The Indion Wants the Bronz was a landmark in the founding of beroin addict gets ready to shoot up while explaining in a balf light the bopelessness that dissolves in the needle.

The sketches avoid overt politics but the victims teod to be down-and-outs like the do-gooding hippie who picks up the do-gooding hippie who pi do-gooding hippie who picks up a pair of hitch-hiking drunks. One of the druoks cheerfully describes the carousing that includes stealing the hippie's van and setting it affame in the woods.

upbeat series of songs at the drunks and include series of songs at the difference of the drunks. Minetta Lane. Best of the difficult series of songs at the difference of the drunks. Minetta Lane are songled where three is Second Grade where three male characters imagine hand-ling emotionat problems the way they would have done at the age of eight — by, for by Josh Blake.

Arts Guide

Music/Monday, Opera and Ballet/Tuesday, Theatre/ Wednesday, Exhibitions/Thursday, A selective guide to

Feb 21-27

Exhibitions

TOKYO

Masterpieces of Karatsu Ceramics:
One hundred antique bowls, jars
and vases of 16th-century Koreaninfluenced ware from Kyushu, the
large Japanese island nearest Korea. Karatsu is made from sandy,
irron-benning clay and decorated rea. naratsu is made from sandy, iron-bearing clay and decorated with glazes of dark brown iron and ashen white. Formed by hand, they possess a rustic, warm quality and possess a rustic, wurm quality and are extremely attractive. Idemitsu Art Gallery (8th floor of Kokusai Building, Marunouchi, near Ginza and main hotels). The museum also offers a quiet tea room and excellent views over the oasis at Tokyo's heart, the attractive most and greenery around the Imperial Pal-ace. Ends Mar 16, Closed Mon.

Masterpieces of 19th-century German paintings from the National Gallery in Berlin: 64 works by modern artists including Casper David Freidrich and Wilhelm Leibl.

Mctropolitan Museum: Liechtenstein, the Princely Collection, one of the greatest private collections in Europe, shows a variety of the hold-ings, like a French Rococo carriage, firearms, sculpture and a bundred paintings, including 19 Rubens, five Van Dycks, and eight Franceschi-

nis, Ends May t. Asia Society: More than 75 sculptures illustrate the five-century long era of the Kushan dynasty in India, when Greek and Buddhist influences were first evident in the country's art. Ends April 6.

um of Modern Art: In the centeniuseum of Modern Art: In the centen-ary of his birth, the museum mounts the largest show ever devoted to the architecture, design and furniture of Mies van der Rohe with 300 draw-ings, eighl models and a full-scale rendering of the chrome-plated steel column from the 1929 Barcelona Ex-position. Ends Apr 15.

WASHINGTON

National Gallery: The Treasure Houses of Britain collects 700 objects from 200 stately homes in a show mounted and decorated to look like the quintessential stately home, with paintings by Holbein, Rubens, Van Dyck, Hogarth and Turner among many others, as well as Chippendale furniture, Meissen as Chippendale furniture, Meissen and Sévrés porcelain and tapestry, jewellery and armour. Ends Mar 9. Istional Museum of American Art: 73 works of New Zeeland Maori artists show the mixture of religious, sym-bolic and artistic traditions in feather capes, ceramic vessels, carved and painted gourds and woven hangings using native materials. Ends March 9. Renwick Gallery. Hirshborn: The eight contemporary
American artists in the Directions
series include a light installation
made for the show by James Turrell

and major pieces by Frank Stella and Robert Morris. Ends Mar 30.

BRUSSELS en in Pharaonic Times: 98 objects from the Cairo Museum in-cluding jewellery, make-up and per-tume cases, religious objects and musical instruments reflecting the

status of women in Court and Tem-ple roles. Musée d'Art et Histoire. Ends Feb 28.

NETHERLANDS

Haarlem, Teylers Museum. A biographical exhibition devoted to Charles Darwin, his theory of evolution, and its reception in 18th Century Holland. Ends Mar 9.

Groningen, Groninger Museum. 17th and 18th-century drawings from the collection left to the museum by the distinguished art historian C. Hofstede de Groot, including sheets by Rembrandt, Curp and Koninck. Ends Mar 2.

Haarlem, Teylers Museum: Survey of French 18th-century graphic art illustrating the new processes developed to capture painterly effects in etchings and engravings and meet the demand reproduction prints. Ends Apr 6.

Ends Apr 6.

SPAIN

Barcelona Thesaurus. L'Art dels Bis-bats de Catalonya sponsored by the Fundacio de la Catra and collabora-tion of Tarragona's Episcopate. 170 works carefully chosen and of great value. All pieces have been cleaned, restored and thoroughly catalogued. Palau Maczi, Paseo de San Juan, Barcelona Ends March 2. Madrid: Modern masters from the Thyssen-Bornemisza collection

gathers t14 works from Prench Im-pressionism to North American abpressionism to north american ab-stracts: Cezanne, Gauguin, Manet, Mooet, Toulouse Lautree, Degns, Renoir, Pissarro, Sisley, Van Gogh, Picasso, Juan Gris, Braque, Leger, Bonnard, Chagall, Kokoschka, Kan-dinsky, Bothko, De Kooning, Bacon,

and the second s

etc. Sala Picasso, Biblioteca Nacion-al, Passo de Recoletos 20. Ends WEST GERMANY

Disselderi, Städtische Kunsthalle, Grabbeplatz 4: Gerhard Richter, a retrospective of 120 oil paintings of the East German artist, who has lived in Cologne since 1983. The works cover 1962 to 1985. Ends March 18

Warch to.

Sonn, Rheinisches Landesmuseum,
Colmanstr. 14-th Constant, a Dutch
painter and architect, one of the
founders of the avant garde organisation COBRA in 1948, is the high-light of a workshow of 85 oil paint-

ngit of a workshow of 65 oil paintings, gousches and architecture constructions. Ends March 3.

Berlin, Schloss Charlottenburg, Orangerie: Art During The British Edle. 300 works by 30 painters, architects and photographers are on show. Among them Kurt Schwitters, Weiter Gropius and Tim N. Gidal. Ends Feb 28. Lanover, Sprengel Museum Kurt Schwitters Platz: Kurt Schwitters (1887-1948). This comprehensive show, collected by the Museum of Modern Art, New York, includes as well wards from his Manual and

well works from his Hanover period (1923). There are 300 paintings, drawings assemblages, collages and sculptures. Ends Apr 20. suttgart, Staatsgalerie, Konrad-Adenauer-Str. 30-32: German Art of the 20th century. This is the same exhibition as was shown at the Royal Academy in London lest year. It is made up of 300 works from 1905-85 by 50 artists. Ends Apr 20.

Rome: Galleria Nazionale d'Arte Anti-

ca, Palazzo Barberini (Via delle Quattro Fontane 13): Twenty recent-Quattro Fontane 13): Twenty recently restored works from private and public collections, mainly in Rome and Lazio. The first painting is surprisingly kitsch: Madonna Del Rosario by Guerrieri, in which Pius V, kneeling at the Madonna'a feet, shows a richly dressed poblewoman a series of scenes from the life of Christ (the beads, as it were) interspersed with bunches of pink roses. Paintings range from the 15th to the 17th century, giving some idea of the different restoration techniques needed. It includes two delightful views of Rome by Van Wittel and views of Rome by Van Wittel, and two Bacchanalia with Cherubs by Poussin. Ends Feb 28.

Venlee: Museo Correr: 127 drawings from the rich collection owned by the museum, from the 15th to the mid-19th centuries, includes Guardi, Canova, Canaletto, and Tiepolo, as well as lesser-known artists. Ends April 17.

DARKS

Homse to Pani Delvaux. Distant and solitary in their cool perfection, their large eyes unseeing, Delvaux's nudes people his dreamlike universe. The one touch of realism comes in the painting of his mother's kitchen, with an old-fashioned coal burning stove, grandfather clock and cured ham hanging from the rafters. Centre Wallonie-Brussler Wa elles, Ends March 31 (42712816).

Vienna 1830-1938: Centre Pompidou stages one of its vast exhibitions where different disciplines combine to bring to life a moment of history. Turn of the century Vienna, melting pot of nationalities and races, is the

scene of a paradex. The mournful atmosphere of a fin de regne is lit by an explosion of ideas and ar-tistic creativity with architects like Wagner, musicians like Mah-ler and Schoenberg, thinkers like Freud and painters like Klimt, Schiele, Kokschka and the Secas-rica Magnant Same 2000 archision Movement. Some 2000 exhi-bits bear witness to Vienna's contribution to modernity, Beau-bourg-Centre Georges Pompidou. Closed Tue. Ends May 5. (4277 1233). From Hembrandt to Vermeer, 60 chefs

d'oeuvres on loan from the Mauritshouves on son from the Maturishuis trace a penorama of 17th-century Dutch painting with Ver-meer's View of Delft with genre paintings, still lives and landscapes. Grand Palais. Ends June 30. (42815410).

LONDON

The Royal Academy: Sir Joshua Reynolds. The long-awaited tribute from the Royal Academy to its founding president fills the principal galleries of Burlington House until March 31 (sponsored by National Wasterington Royal). A truntional Westminster Bank). A trun-cated version has already been shown in Paris. It is an equivocal compilment, for d confirms Reynolds as one of England's major arthistorical heroes and exposes his limitations as a painter. Lacking the fleir of such contemporaries as Ramsay and Gainsborough, let alone of the older masters of the grand manner, such as Van Dyck and Verenese, he had the ambition to match himself against them, and whatever he achieved in position and accomplishment was by effort

Museums/Antony Thorncroft

Tha museum bas been forced to take this unwelcome step because of an accumulating deficit. It is funded by the Department of Education and Science and facea a sbortfall of £1.2m on its operations in 1986-87. All its evidence suggests that this deficit will grow to over £2.6m by 1990-91.

The alternative to charge in this sector. Before there can be any changes the musaum must get approval from the Department of Education to retain any extra revenue that it earns.

Sotheby's minor mid-term impressionist and modern picture sale yesterday was

Hedley, said yesterday that charges will probably reduce admissions to 60 per cent, but that he boped an imaginative programme of special exhibi-

See dinosaurs—at a price The Natural History Museum, also be bridged partly by a drive for more sponsorship, and an active marketing programme for its publications, facilities and expertise, which should duce admission charges from April 1, 1987. The actual amount will be decided this autumn but it is likely to be fil.50. School parties, which account for around 10 per cent of the 3m annual admissions, will probably be included among the concessionary categories.

The museum bas been forced

also be bridged partly by a drive for more sponsorship, and an active marketing programme for its publications, facilities and expertise, which should contribute over £300,000. But the remaining deficit is so great that admission fees are the only solution, apart from redundancies. Efforts will be made to charge for scientific services, but since the museum also benefits from such activities there is little scope to increase charges in this sector.

The material History Museum, also be bridged partly by a drive for more sponsorship, and an active marketing programme for its publications, facilities contribute over £300,000. But the remaining deficit is so great that admission fees are the only solution, apart from redundancies. Efforts will be made to charge for scientific services, but since the museum also be forced.

The museum but it is likely to be filed this admission fees are the only solution, apart from redundancies. Efforts will be made to charge for scientific services, but since the museum also but si

fil 2m on its operations in 1986-87. All its evidence suggests that this deficit will grow to over £2.6m by 1990-91.

The alternative to charges is to cut staff in its scientific departments by over 100, or a quarter, in the next four years.

The museum's director, Dr Ron the museum's director, Dr Ron the museum's director what is to carried top estimates of £5,000 and less. The top price £5,000 and less. The top price of £24,750 was paid for a street scene in Normandy by Gustave

that he boped an imaginative programme of special exhibitions would attract back the museum's visitors within a few years. The immediate extra revenue from charges is estimated at £1m a year.

The museums have produced a corporate plan, which will cost £14.168m to operate this year. The deficit of £1.2m will fetched £7,480, Loiseau.

"Once in every decade or so there comes a chance to create something really significant on an international scale.

Something which is bigger, by virtue of its name and what it is, than all its parts put together.

Something which is both synonymous with its country's expanding economy and a symbol of it.

Something which is a cornerstone of "Great Britain Limited" in the international market place.

Something which not only leads the way to long term prosperity but which also creates wealth and jobs.

Something which makes those who were in on the ground floor of it both proud and financially rewarded to have been there at the beginning.

Something which is not just another part of investors' portfolios, large or small, but at the very core of them.

That, I believe, is what we have the chance to do with this merger.

I believe the joining of Guinness and Distillers will provide the foundation on which we can build an international company for the 1990's and after."

ERNEST SAUNDERS, CHIEF EXECUTIVE

GUINNESS PLC

FINANCIAL TIMES

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Thursday February 27 1986

Priorities for Mr Gorbachev

IN THE past I1 months Mr Mikhail Gorbechev has so busied himself getting his bands on all the levers of power in the hyzan-time for the hyzan-time. tine Soviet system—replacing aged ministers and corrupt officials with his own menthat it has been easy to lose aight of the all-important questions. tiona: what does he plan to do with this power?

Now, in his opening speech this wek to the 27th Soviet party congress, he has pro-vided a partial glimpse. He has a wider grasp of Soviet proba where grasp of sover prob-lems than any poat-war prede-cessor, but he wants to find solutions without rocking the system's foundations—a man of fresh outlook and reforming zeal with more freedom of zeal with more freedom of manouvre ahroad than at home.

manouvre ahroad than at home.

This young Soviet leader was chosen by his Politburo seniors specifically to reverse the long economic slide, and concomitant corruption, of the Brezhnev era, and to revamp the tarnished Soviet world image and to provide a diplomatic, and if need he military, riposte to President Reagan's defence programmes.

Productivity

Identifying the problems was the easier part, and Mr Gorbachev lald into them with a will. He denounced the toadyism and servility of many party officials. He reinforced his general diatribe with specific condemnation of party organisations in Moscow and two central Asian republics. Yet, for all his moral uphroading of the lanses of nexty ing of the lapsea of party members, he slopped short of announcing the one lasting safeguard against party mis-

not startingly different from a party congress. Gosplan, the terstwhile dire enemies as top planning agency, must improve, sectoral ministriets in the support of Soviet-style should stop interfering in the peace proposals. day-to-day running of industry, enterprises should have more autonomy and closer links with research institutes. But what his means in practice is un-

The Soviet leader tackled

The Soviet leader tackled squarely the need for more fiexible price setting and responsiveness to consumer demand. As might be expected from a man whose first national responsibility was in agriculture, he announced specific plans to allow farms to dispose of their above-target produce tas they saw fit and without regulation. But he shied away from any mention of the unemfrom any mention of the unem-ployment, albeit temporary, that must surely accompany any real restructuring of Soviet industry. Unemployment is a subject beginning to be dis-cussed in the Soviet Press, but it was clearly too raw an ideological oerve to be debated at a party congress. Yet, its omission is aerious from a speech designed to set the country's political agenda for the next five years.

Disarmament

Precisely because of the ideological nature of the occasion, the capitalist West and sion, the capitalist West and the US in particular were never likely to get soft treatment. Part of the political function of a Soviet party congress, much like any Western political party meeting, is to remind the rank and file falthful that they are on the right road, with all its plifalls and that others in this pitfalls, and that others, in this case the capitallats, are by definition on the wrong road.

But the striking part of Mr Gorbachev's foreign policy pro-nouncements was not his verhal passage-at-arms with Mr Reagan over disarmament; that is part of the regular superpower exchange. What was remarkaniouncing the one lasting of the regular superpower safeguard against party miscule, a limit on officials' tenure, able was the careful court he The degree of economic paid to other parts of the world change be outlined this week is outside the US — to Western Europe, Japan, China and the that which he sketched out in speeches around the country last year, though it is a sharp of the world communist movelast year, though it is a sharp of the world communist move-departure from what any pre-wious general secretary has told make common cause with such

If socialism distinguished itself by "its ability to learn," as Mr Gorbachev boasted, then he himself has clearly learned from earlier mistakes of focus-ing Soviet foreign policy too One sign of whether Mr closely on the US. But, equally, Gorbachev is serious about Mr Gorbachev might wish he vived decentralisation might come at had the same flexibility in Alt the congress next week when a domestic policy.

City regulation takes shape

A FLOOD of documentation is beginning to appear from the new regulators at the Securities and Investments Board and its offshoot the Marketing of Investments Board Organising Committee. Tuesday saw MIBOC'a proposals on the registrallon of life and unit trust salesmen, while yesterday SIB published an instalment of its conduct of husiness rules.

Outside a let more le yest to the regulatory body ought to be able to dispense with much of the legalistic devited Quite a lot more la ret to At the very least it would come with MIBOC needing to appear that some of the general

finalise disclosure requirements, principles will need to be more and SIB promising more rules in areas like separation of client the concept of best execution, money, cold calling and auth-which might he reasonsbly orisation procedures. 'fime is simple to apply in the context very short, because all these of stock market transactions, is rules have to be circulated. less clearly relevant to the sale refined and then re-released in of life assurance policies or pen-

Effectiveness

All this is related in a rather awkward way to the timelable for the Financial Services Bill. In some cases the SIB is being held up by Whitehall, as with the new rules on unit trusts, Chilling while at the same time Members of Parliament are pressing for the SIB to rush out its own regulations so that the board'a likely effectiveness can be SROa to discipline troublesome

SIB's conduct of business rules is that they are a rather strange mixture of the general and the specific. On the one hand there are some broadly worded provisions against excessive charging or churning (the latter besponsibility to secure "best that could be brought widely execution," all within the general principle laid down by the hill that the firm's interest must be subordinated to that of the

On the other hand, there are some very specific rules governing customer agreement letters. the maintenence of records, and of statements in respect of diacretionary managed portfolios (at least every six months). In the light of comment, and in due course of practical application of the rulea, a great expansion of this kind of specific detail can no doubt be expected.

The point is significant be-

carefully defined. For example, time for the individual self-sion plans. Would the insurance regulatory hodles (SROs) to draw up their own versions (of at least equivalent severity) hy next October. on the marker, or wound rour or five be enough? As for the prin-ciple that the client's interest must come first, taken literally this would hardly allow an investment firm to make a profit: it is more of a slogan than a quasi-legal principle.

The hope must he that the "fit members, will be enough 10 ex-The first impression of the clude practitioners who wish to test the conduct of business rules to the limit. However, there will be a legal right to appeal 10 a tribunal—and the recent unsuccessful appeal by LHW Futures against its failure ing or churning (the latter oring difficult to define, but "perthe financial futures market
the fin

pathetic and conformist investment firm, the SIB rule-book will give a chilling impression of the sheer bureaucratic cost of the new regulatory regime. Cuatomer agreement letters will have to spell out information under 14 different head-ings, and will have to be renewed each year. Comprehensive information on every transaction will have to be

FTER A tumultuous twomonth election campaign and a beart-stopping 18day crisis over the result, Mrs Corazon Aquino has been swept victoriously into the presidency of the Philippines on an unprecedented tide of popular sup-

Now begins the promised first 100 days of "yellow revolution" — a play on her campaign colour — and the world is watching to see if she can sucrestatuly consolidate ber posi-tion, restart the wheels of government and promote political reconciliation.

By any standards there aeemed to be a good start yesierday. Mr Juan Ponce Enrile, the powerful Defence Minister who broke away from the Marcos government and bastened its government and bastened its downfall, reported that the military was now completely behind Mrs Aquino and fighting had ended. But there was some embarrassment that the sudden departure of Mr Marcoa and his family on Tuesday night had led to disorder and looting by crowds who stormed into Malacanang, the presidential palace. Thousands of people still occupied the littered grounds

yesterday.

The military also reported attempts by Marcos business associates to apirit money abroad and discoveries of arms caches and crates of currency.

Although much of the tanglor Although much of the tension bas given way to elation, the situation is still delicate. In a crucial development, Mrs

Aquino herself announced that a dozen former calinet min-isters in the Marcos Govern-ment had agreed to belp with an orderly transition. They had, in turn, asked provincial gov-ernors and town mayors to co-operate with the new government, and had said ruling party members who form a majority in the national

co-operate.

Given the extraordinary circumstances in which she took office. Mra Aqoino is appealing Aquino's passionate pre-election promise to eliminate graft and corruption: "I shall immediately begin the process of flushing artistic stable of They and the rest of the world are meanwhile marvelling at the ousting of Mr Marcos hrough their own power. Their new-found confidence, their rediscovery of a lost pride and self-respect, offer a potent resource for Mrs Aquino to tap.

To judge by her first presi-

To judge by her first presidential press conference given yesterday. Mrs Aquino is likely to stick closely to commitments made in her election campaign. Though they may take longer to implement than originally hoped, ber first political moves will include a restoration of hobeas corpus, the freeing of political defainees and a curb on presidential detention powers. Her promise of a freer press is al-

ready being met. The boycott of pro-Marcos newspapers is off, and television stations are starting to broadcast again.
The reviled Office of Media Af-

managed the media, will not be re-

husiness.

A presidential commission on "good government" it to iovesti-

begin the proces of flushing clear the putrid stable of hureaucratic corruption and cronyism, and of recovering the people's money accumulated in private accounts built up by thievery. The axe will be made to fall where it must."

Asked yesterday if she would live in the Presideotial Palace, she sald she would only be working there. She sald she would lead by example: 'It is not fitting for the leader of an impoverished nation to live in extravagance."

There are also bound to be changes within the civil service, judiciary and military. Yesterday Gen Fidel Ramos, newly-appointed as Chief of Staff following the success of the audacious move be and Mr Eurile made against Mr Marcos, announced a long list of senior army appointments in the air army appointments in the air The reviled Office of Media Afforce, navy, marines, coast fairs, through which Mr Marcos guard and intelligence services.

Beyond this, Mrs Aquino Although Mrs Agnino aays calle a constitutional convention of the National Assembly to calle a constitutional convention of the convention

She wishes to see a hreak-up in the concentration of execu-"good government" it to iovestigate the possibility of recoveriog the "bidden wealth" salted
away abroad by Mr Marcos and
bla associates. The commission tive power previously wielded
by Mr Marcos, new safeguards
against the abuse of power and
a system to ensure executive
answerability. She bas threat-

will also study what should hap ened to use the hated presiden-pen to the property they left tial decree-making power to the morale of the Philippine behind. Aquino shares, to strengthen the morale of the Philippine speed this process, but that may military and to restore its Thia is in keeping with Mrs prove unnecessary in the current mood.

" I shall immediately begin the

process of flushing clear the putrid

stable of bureaucratic corruption

money accumulated in private

accounts built up by thievery."

and of recovering the people's

MRS CORAZON AQUINO

One of Mrs Aquino's most controversial proposals is to seek an immediate cease-fire with guerrillas of the Communist-inspired New People's Army
"to redress the legitimate
grievances of those who have
resorted to armed struggie."

In particular, she has pro-posed an amnesty for guerrillas willing to lay down their arms, pledge alleglance to the state and foreswear the use of violence. Though accused of being naive, she believes that a credible government can secure some credible surren-ders, and she could well woo those who are not hard-core Communist Party sympathisers.

Even if the sbe does not, Mrs Aquino has no doubts about the need to use the power of the state to fight, any force-seeking to overthrow democratic government. To this end, Gen Ramos yesterday reaffirmed commitment, which Mrs

KEY FACTS

54m 115,830 sq miles (7,100 Islands) 50.3% (1984) 33.1% (2nd qtr 1985) 5% (end 1985 US\$32.2bn (1984) US\$5.4bn (1984)

Imports Main agrouttural

US\$6.1bn (1984) Sugar, coconut,

discipline and professionalism. Such reforms are certain to

help combat the estimated 16,000 guerrilla insurgents, and they, in turn, cannot fail to draw lessons from the past three months' events. Indeed, it acems unlikely that the left will he strengthened by these developments, given its boycott of the election and the proven success of Mrs Aquino's nonviolent line.

Another factor in her favour the natural distaste of a Catholic, Malay people for violent communist revolution. Against ber, however, are the conutry's relentlessly deteriora-ting economy and the uncertainties of the present transition, especially at grass-roots levels where some "People's Committees" are already said to have sprung up.

Now the reality starts to sink in

Chris Sherwell reports from Manila on the serious problems still facing the Philippines

It took about two years to negotiate that agreement, which involved tough austerity measures and restructuring the economy. A key aspect was the dismantling of the augar and coconut monopolies.

By late last year the hitter medicine appeared to be working and the inflation rate fell rapidly from about 16 per cent rapidly from about 16 per cent to 5 per cent. But an explosion in the money supply, which some auspect is related to this month's election, has raised questions as to whether the target agreed with the IMF can still be met.

Negotiations with the fund. due to start last Monday, have bad to be postponed and there is no date set for a resumption. To deal with the economic problems. Mrs Aquino bas appointed Mr Jaime Ongpin, head of Benguet Corporation, one of the country's higgest mining concerns, as Finance Minister, One of her closest advisers, he is widely respected at home and abreed Mrs. at bome and abroad. Mrs Aquino's decision to re-appoint Mr Jose Fernandez as Governor of the Central Bank was also

vell received last night. While the International banks are likely to join foreign governments in welcoming Mrs Aquino's success, they are unclear about her stated commitment to negotiate hetter terms for the repayment of the country's external deht. The IMF and the World Bank, are also likely to be pleased with the

Mrs Aquino's general disposi-Then there is the country's relentlessly deteriorating economy. The Philippines in 1986 faces its third successive year of contraction, partly as a result of the international recession but chiefly because of a loss of international and domestic confidence in the role of Mr Marros.

Mrs Aquino's general disposition on the economy is clear; zero no not be recovery and her task is to offer an enhanced environment for business initiative and investment. Government's own role will be reduced. It will offer "a judiclous mixture of protection and support," she

In the 1960s the Philipines enjoyed rapid rates of growth in line with those seen all over South-East Asia, But the country bas since become, in Mrs Aquino's words, "a basket case."

The assassination in 1983 of her busband Ninoy Aquino provoked such a heavy capital flight that the Government declared a morstorium on repayments of its US\$ 25.6bn debt and sought a rescheduling with on the tax front for husinesses and help for farmers. She has also pledged to dismantle the sugar and coconut monopolles controlled by Mr Roherto Benedicto and Mr

its commercial and official has happened to these two men.
creditors under the guldance of More generally, Mrs Aquino
the International Monetary
says her first concern and More generally, Mrs Aquino says her first concern and priority is to deal with the poverty, unemployment and underemployment which afflict up to three-quarters of the 54m population. She will be hoping that with Mr Marcos out of the way foreign governments and way, foreign governments and benks will help the economic recovery which she says she so desperately wants.

This includes the US govern ment, which is enormously re-lieved that the crisis was resolved peacefully with a result which Washington can live with. Throughout the affair its con-cern, as President Ronald Reagan admitted at the worst conceivable moment, has been to protect its strategic air ond Suhic Bay. These bases are critical to regional security, and Mrs Aquino yesterday repeated ber standard position on them: she will respect the Philippine-US agreement until it expires in 1991 and keep her options open thereafter. She has pre-viously promised a process of consultation on the matter, with the US, friendly South-East Asian neighbours and the Filipino people:

The singular achievement of Mrs Aquino and the Filipino people in dislodging Mr Marcos has left the Philippines' five partners in the Association of South East Asian Nations immensely relieved and hrought a flood of congratulations from Europe, Australia, New Zealand, Canada and Japan.

As well as the simple ceremony held on Tuesday morning, it is possible that Mrs Aquino msy soon be more formally pro-claimed president by the National Assembly and installed in a manner befitting her achievement. That would be an occasion everyone would want to attend as a mark of respect. But Mrs Aquino remains of Mr Marcos.

In the 1960s the Philipines enjoyed rapid rates of growth

On specifics. Mrs Aguino has afforcation and support." She has sald, and will not compete the dramatic events in the Philippines, ending 20 years of afforcation and support." She sober about what ahe has done, The dramatic events in the Philippines, ending 20 years of afforcation and support."

10.1

Day's work

ls done

When Graham Day came back from Canada to take charge of ailing British Shipbuilders nearly three years ago, be boldly demanded, and got, a written statement of objectives from the Government

One was the sale of the warship yards, now nearly complete with blds in this week for the joint sale of Cammell Laird on Merseyside and Vickers in

Another was the boosting of productivity, achieved after some opposition from yard workers and effective in attractworkers and effective in attract-ing orders, though these bave dried up in the latest slump. Finally, losses of state-owned BS bave also fallen sharply. So when Day's three-year

term ends on August 31, he is not expected to stay for another apell, but to take his leave of BS. It will then employ only some 9,000 people in the remaining merchant yards against nearly 90,000, including warship yards at the time of warship yards, at the time of nationalisation in 1977.

Where Day, 52 and an ex-



back to work for five years and I can retire tomorrow"

Men and Matters

lawyer, will go from bis £80,000-a-year (plus bonuses) job, is not known. But the hlackbearded Canadian, who also has a British passport, has indicated he would like to stay in the UK.

It is fairly certain, however, that his successor will not be seen to be seen the content of the content

that his successor will not be drafted in like Day and his predecessor. Sir Robert Atkinson. Phillip Hares, 59, the silvery-haired finance man who is now deputy chief executive, is aeen as front-rumer to head what is now a very small, and still struggling nationalized ground. struggling nationalised group.

Land's foresight

As managing director of British Transport Hotels, Peler Land once had such famous hotels/ golf courses under his control as Gleneagles and Turnberry. When BTH was privatised three years ago, Land led a management team in an unsuccessful bid to huy 17 of BTH's 21 hotels. Now Land, 58, is trying to get hack into the business on a

smaller scale—as chairman of a company seeking to raise a mini-mum of £1.2m under the Business Expansion Scheme to develop Staverton Park golf and country club in Northampton, just off the M1 near Daventry. The golf course has been established since 1972 and has already attracted aome minor professional tournaments — a

fact which Land thinks might give the project, sponsored by brokera Robert Wigram, an edge over similar BES ventures on offer at the moment The company will lease the

course from its owner, David Green, a farmer and chairman of Talhex, and plans a country club complex including 44 bed-rooms, restaurant, conference and other sports facilities. Staverion Park could prove

tycoon who, at the height of his power 100 years ago, controlled virtually all the US oil refining and marketing industry, would be proud of Sohio, British Petroleum's majority-owned US subsidiary.

After 75 years of calling itself

The Standard Oil Compeny (Ohio), or Sohio for ahort, the company is dropping the Ohio and is reverting to its old name,
The Standard Oil Company —
the name which Rockefeller
chose when he started out from
his Cleveland hase to build the biggest oil company the world has ever aeen.

After working as a book-keeper, Rockefeller joined a couple of Englishmen, the Clark brothers, in 1863, running an oil refinery. He soon bought them out and in 1870 set up Standard Oil—so called became Rockefeller sought to refine a consistent, dependable product that would neither smoke nor explode, hut burn cleanly.

The Standard Oil Company was the main vehicle in the early growth of Rockefeller's legendary empire and less than ten years later it controlled over 90 per cent of all US refining capacity.

In 1911, the US Supreme
Court broke up the Standard Oll

group, making eight companies with Standard Oil in their names. Some based ip Kentucky, Nebraska and Kausas, were soon swallowed by their higger brothers; but until recently there were still five Standard

Standerd Oil (New Jersey), the higgest member of the Rockefelier empire, changed its an ideal base for businessmen Rockefeller empire, changed its visiting the Midlands, Land name to Exxon in 1972; and its

neighbour, Standard Oil (New York), after calling itself Socony eventually renamed itself Mohil. More recently, Standard (California) was renamed Chevron, and a few months ago, Standard (Indiana) became Amoco

Sohio says that it is not changing its name but just "reaffirming its legal name." At a time when dozena of UK corporations are searching for futuristic titles, it boasts thet it is announcing "no change for a change."

Rural flavour

John Nichols, aged 36, manag-lng director of J. N. Nichols, the company his grandfather founded to make the fruit drink Vimto, has just discovered the joys and risks of a new product launch.

He determined to look beyood the company's home county, Lancashire, and pro-duced what he calls "an Orien-tal fruit drink with a hint of sake." A Japanese-style pre-sentation introduced the new drink, Matotaki, in Manchester, and Nichols enthusiastically played the "mighty Shogun of all the fruit drinks."

The company reckons it is on to a winner to boost its already impressive performance of a £4m pre-tax profit last year with a workforce of under 200.

But not even a new fruit drink is immune from the banana skin effect. The company has been a little paranoid since being told that Matotaki ia Japanese for abeepdip. A linguistic stewards inquiry is now under way.

In triplicate

Whitehall traditions linger on. A friend received a letter from a Government Minister's private secretary. The letter was typed, hut the "Dear Mr . . . ", "Yours sincerely," and the signature, were all written in — by three different hands.

Observer

BASE LENDING PATER

DASE LEND	ING KALES
ABN Bank 121%	Guinness Mahon 121%
Allied Dunkey & As sold	Hambros Bank 121%
Allied Irish Bank 121%	Heritable & Gen. Trust 121%
American Express Bk. 121%	Hill Samuel \$1219
Amro Bank 121%	C. Hoare & Co 121%
Henry Ansbacher 121%	Hongkong & Shanghai 121%
Associates Cap. Corp 121%	Johnson Matthey Bkrs. 121%
Banco de Bilbao 121%	Knowsley & Co. Ltd 13 %
Bank Hapcalim 121%	
Bank Leumi (UK) 121%	Lloyds Bank 121%
BCCI 1219	Edward Manson & Co. 131%
Bank of Ireland 121%	Meghraj & Sons Ltd 121%
	Midland Bank 121%
Bank of India 121%	Mount Credit Corp. Ltd. 121%
Bank of Scotland 121%	
Banque Belge Ltd 121%	Nallonal Bk. of Kuwait 121%
Barclays Bank 121%	National Girobank 121%
Beneficial Trust Ltd 131%	National Westminster 121% Northern Bank Ltd 121%
Brit. Bank of Mid. East 121%	Norwich Gen. Trust 121%
Brown Shipler	
Brown Shipley 121%	People's Trust 131%
CL Bank Nederland 121%	PK Finans, Intl. (UK) 131%
Canada Permanent 121%	Provincial Trust Ltd, 131%
Cayzer Ltd 121%	R. Raphael & Sons 121%
Cedar Holdings 13 %	Roxburghe Guarantee 13 %
Charterhouse Jephet 121%	Royal Bank of Scotland 121% Royal Trust Co. Canada 121%
Citibank NA 121%	
Citibank Savings [12]%	Standard Chartered 121%
City Merchants Bank 121%	TCB 121%
Clydesdale Bank 121%	Trustee Savings Bank 121og
C. E. Coates & Co. Ltd. 13 %	United Bank of Kuwait 121%
Comm. Bk. N. East 121%	United Mizrahi Bank 121%
Consolidated Credits 121%	Westpac Banking Corp. 12195
Continental Trust Ltd. 121%	Whiteaway Laidlaw 13 %
Co-operative Bank*121%	Yorkshire Bank 121%
The Cyprus Popular Bk. 121%	
Duncan Lawrie 121%	Members of the Accepting Houses

First Nat. Fin. Corp ... 131% Call deposits \$1.000 and over

First Nat. Sec. Ltd. ... 131% & Mortgege base rate. ■ Robert Fleming & Co. 121% 5 Remand dep. 54%, Maragage 13%.

IT IS very rare in Britain for the financial indicators and those for the real economy to be favourable at the same time. Usually if one set is good, the other is bad.

Now, however, the CBI monthly trends shryely has turned up sharply, recovering from the steep and worrying dip shown in the Quarterly Trends Survey taken in January when base rates were going np to 12; per cent and concern about sterling was at its height.

The January public sector borrowing figures were so much better than expected that they affect the likely ont-farm for 1985-85 and the prospects for 1986-87. In addition, yields on long-term gilts have shown signs of trying to break through the 10 per cent barrier. the IO per cent barrier, which they failed to do two years ago.

Moreover, despite a 35 to 40 per cent drop in the oil price, the trade-weighted sterling exchange rate index is only down by 7½ per cent compared with the index level of 81 on which the Autumn Statement was

Until the latest favourable indicators arrived, the arguments inside the Treasury were, I guess, not about how much to cut taxes, but about whether or not an increase was required to stay on course.

Even now, although the Chan-cellor may, as always, chop and change between particular taxes, the likely size of net re-They are one reason (among others) why I would put my money on the LBS forecast, which is of 21 per cent growth in 1986 rising to 3 per cent in 1987, rather than the National Lections of 11 per cent of 11 per cent of 12 per cent of liefs is within spitting distance

The British citizen will, of course, hencilt from lower oil prices directly, and from the lower cost of energy used for other products. He may even come to realise that not all his gains and losses come from

It is, nevertheless, at first sight paradoxical that lower oil prices should benefit British economic prospects. Net oil exports account for 21 per cent of GNP, and the recent oil price fall should reduce that by 1

percentage point.

Up to half of the balance of acceleration.

Up to half of the balance of acceleration.

Here, however, I have lower remittances from overseas seaking suspicion that the increases in UK exports and import substitutes will be required to fill the gap; and this requires e terms of trade loss. One offsetting factor is the boost to world prosperity arising from lower oil prices, which should benefit British overseas markets.

Another is that the recent Here, however, I have a meaking suspicion that the institute could be right. For it will be very difficult to reduce the underlying or "core" rate of inflation much below 5 per cent, until there is a decisive break in the trend of pay.

Wage inflation will probably decline slightly as price increases abate, but it will be a battle to get it to declina enough.

Another is that the recent depreciation of sterling has increased the international competitiveness of both British manufactured goods and tradable services; while the fall in last few years have seen boomoil prices offsets the inflationary ing stock markets and booming to see the inflationary ing stock markets and booming to see the inflationary ing stock markets and booming to see the inflationary ing stock markets and booming to see the inflationary ing stock markets and booming to see the inflationary in stock markets and booming to see the inflation effects which a fall in sterling

Moreover, a transfer of profits time unemployment has con-time to rise. In other words, from the North Sea sector to tinned to rise. In o

Economic Viewpoint

Reasonable prospects: tax cuts later

By Samuel Brittan

National Institute in their fore-casts. But the very latest favour-

Institute's forecast of 13 Institute's forecast of 11 per cent growth next year, falling subsequently to 11 per cent. If anything, I should expect UK

growth to exceed LBS expecta-

is very little difference between the two forecasts, both being in the range of \$\frac{1}{2}\$ to 4 per cent. But while the LBS sees infla-tion continuing to fall in 1987,

tha Institute expects a moderate

On 1986 infletion rates there

trading sector is likely to Indeed I admit to trepidation increase investment. It is also shifting economic activity to in writing on economic pros-pects for the morning before the publication of the February un-employment figures. labour-intensive areas although the impact on jobs will take many months to be seen. These general forces had been taken into account by the London Business School and the

During the past 12 months "seasonally-adjusted" changes in memployment have finctuated between a fall of 8,000 and a rise of 28,000. If today's figures are at the more favourable extreme, unemployment will still martin Weitzman, think that able indicators came too late to be taken fully on board.

Public Sector

Financial (PSFD)

Borrowings (PSBR)

Public Sector

for council house sal miners5 strike, etc. uncil house sale

Figures is brackets express GDP.

have risen by an average of

been 9,000 per month,

There is a large structural

element in unemployment which needs to be tackled quite sepa-rately from any Budget indge-ment. The LBS Economic Out-

look has an article suggesting that the long-term memployed do develop special characteristics, which means that job creatics,

tion schemes targeted at them will be less inflationary (and

less expensive) than either the general infrastructure spending

cuts on the Right.

The key to the wider unemployment problem is the conflict hetween the "insiders," who wants pay increases and the "outsiders" who want jobs. A few American companies have provided new jobs for outsiders at separate and lower pay scales—a practical expedient from which British moralism shrinks.

(Figures in £hn) 78-79 '81-82 '83-84 '84-85 '85-86 '86-87

9.7 10.1

measures to stimulate profit-

(5.1) (2.9) (4.7) (4.2)

6,000 per month over the last sharing by all workers—not just year. If they are at the unfavour-stock options for executives—able end, the trend rise will will turn the scales in favour of

7‡

(31) (31)

UK FISCAL POLICY

risks with fiscal policy. What of the various arguments for going ahead with tax cuts despite the £5bn fall lo projected oil revenues? One is that an increase in the PSBR due to lower tax revenua from North Sea oil will have very little demand-increasing effect.

A more fashionable argument A more fashioname argument is that it is justifiable to smooth the effects of fluctuating oil revenues. Public borcowing needs to be exceptionally low when oil production and prices are at their height, but can rise to a more normal level actions. level afterwards.

A third argument, less specifically connected with oil, con-cerns the "policy mix." When UK interest rates have to be exceptionally high to protect sterling, an offsetting fiscal boost is both justifiable and necessary to maintain an even rise in nominal demand. Unfortunately for these argu-

employing more workers rather than increasing pay. The Chanrelaxation of fiscal policy, which will go further even cellor ought to steal some Whig clothes by encouraging such schemes for "social" without any tax cuts.
The PSBR is but one imperfect measure of the public sec-tor accounts. The less well-known Public Sector Financial Deficit has the advantage of reasons, without committing himself on the Weitzman treating asset sales as a form of finance, rather than as negative expenditure. There are also one or two other differences, mainly in the treatment of lending to private bodies. Indeed, the Chancellor will not need any prodding to steer clear of any overall fiscal stimulus to demand, With a generally good outlook

for output growth, and some bodies.
longer term worry about infia- As t longer term worry about infia- As the table suggests, the tion, it will pay the Chancellor PSFD may rise by £2bn in 1986-

1987 even on unchanged poli-cies. Look out for this number to play safe and not to go above a £7½bn PSBR for 1986-87. This is the figure laid down in last year's version of the Medium Term Financial Stretegy (and which also could well be the out-turn for 1985-86). on Budget Day.
Even the PSFD excludes important items, such as finance from the sale of council houses,

EXPECTED TREND OF OUTPUT

The last line in the large table makes these adjustments and The Chancellor should take advantage of episodes wheo sterling is strong to lower interest rates rather than take then expresses them as a pro-portion of GDP.

The table suggests that fiscal policy reached its tightest point after Sir Geoffrey Howe's controversial tax-increasing Budget in 1981; but hy 1983-84, the year of the last election, there had been a major relaxation. There was then a subsequent tighten-ing, but a gradual relaxation is now once more in train even

without further policy changes. Nevertheless, the blow to tax cut hopes from lower oil prices is not a final one so long as public spending stabilises in real terms, in line with Treasury plans, or even rises more slowly than the national

The effect of lower oil prices on Government revenue is oncefor-ell. Thus the gap hetween rising revenue and more slowly rising spending should open np again from 1987 onwards. Indeed some fore-casters are betting on £35m or even £4bn of tax cuts in 1987, and subsequent years with an election conveniently intervening in 1988. ments, there has already been a

The threat to pre-election tax cuts comes not from the oil sheikhs, but from the political clamour to break through the Treasury's spending limits.

Treasury's spending limits.

The Treasury would have a stronger hand if it emphasised the case for individual citizens being the best judges of bow to spend their own money and did not rely so much on incentive arguments which are nearly as dubious as the joh creation ones of the expendicreation ones of the expendi-

Lombard

Use and abuse of statistics

By Philip Stephens

THE THATCHER Government has introduced two major changes to the presentation of economic statistics since the beginning of this year. The first givea a more optimistic picture of the growth rate of Britain's manufacturing output; the second will take around 55,000 people from the recorded unemployment rate around 1.5 present 14.1 per cent.

The problem with both these changes is that bowever logical they may appear io isolation, in a wider framework they can hardly escape being seeo as a part of an ettempt to give the most. fevourable picture possible of trends in the labour market.

Taken in isolation and judged strictly on statistical criterie both have merits but in the broader context of the Government's treatment of official figures over the last few years hey give rise to some unease.

To take the output figures first. Economists of all shades are agreed that initial estimates of manufacturing production by the Central Statistical Office have been bedevilled by under-recording.

For the latest months the figures include only a small percentage of tha information which eventually flows in, while it is almost impossible to keep instant track of new industries. To get round the problem the CSO has introduced e bias correction, which uses evidence of past under-recording and information from CBI surveys to push up the published output figures for the letest six months. The statisticians insist thet this is a perfectly reasonable way of improving the quality of

side economists.
The CSO is less convincing, however, in explaining why details of this adjustment to a politically sensitive set of figures appear only as e tiny fcotnote at the end of a lengthy

the initial estimates end they have the sympathy of many out-

press notice.

As for the latest changes to the unemployment figures an investigation by the Employment Depertment showed that the one-week interval between the count and final compllation of the statistics was not long enough to take account of claimants who had found work.

THE THATCHER Government unemployment rate around 1.5

market. The Government has already

stopped measuring oo a monthly basia the number of people out of work. The statistics now published only refer to those claiming benefit. Decisions in 1982 and 1983 to exclude non-claimants and some unemployed aged over 60 from the register reduced the recorded level of unemployment by 350,000.

The Unemployment Unit, and

independent pressure group, has tracked I5 changes since 1979 in the way thet the official statistics are compiled. As a

statistics are compiled. As a result it estimates that the number of people out of work is about 400,000 higher than the official figure.

The Employment Department itself acknowledges that if international, rather than peculiarly British, statistical conventions were applied in the annual labour force survey the annual labour force survey the jobless total would be around in its monthly figures.

Equally worrying is that while the official jobless figures

are becoming a much hazier guide to the state of the labour market, government ministers are giving much greater attention to employment statistics.

These will now be published on the same day as the jobless figures and undoubtedly given much prominence. But, as any Whitehall satistician will readily admit, they contain a huge element of guesswork, The statistic of 700,000 extra

jobs over the past two years so readily quoted by Lord Young the Employment Secretary, inclaimants who had found work. By introducing a three-week delay, around 55,000 of these people will be eliminated from the recorded total.

The Government is also to publish figures showing tha not just as a percentage of the employed labour force but of the whole workforce, including the armed forces and the self-employed. That will give an time the statistics. employed. That will give an statistics.

Safety in the gas industry

From Mr F. J. Rooney
Sir,—John Edmonds, the
General, Municipal Boilermakers' Union leader, believes
that a privatised gas industry would be less safe than a nationalised version.

There is a sad tendency among union leaders (e.g. Aslef, NUM) to overplay the safety card. "Lower safety equals higher profit"—really? I suspect this prejudice also enjoys the unspoken sympathy of the accountancy profession.

First, consider Mr Edmonds' members. Safety, like quality, is free. The correct, safe, way is also the chespest way; 98 per cent of accidents are due to per cent of accidents are due to the unsafe acts of people—not equipment. We need state-of-the-art equipment, to be sure, hut poor safety is caused by poor training, supervision and morale; certainly money can be saved short-term in these areas hut, as with quality, a manage-ment pursuing such a policy will ultimately fail.

Secondly, consider consumers I have little first-hand know-ledge of the gas industry (ex-cept as a reasonably satisfied industrial and private consumer) but I'm quite sure the intended sell-off will leave little room for "in-for-six months" managements. Consumer protection also has the ultimate backstop of the law.

Stick to the politics and economics Mr Edmonds—on this issue, on these grounds, your campaign certainly has my sup-port, because I do not believe enough competition between

Letters to the Editor

dustry or the complacency of a private monopoly. Frank Rooney.

profits—the latter, at least, seem set to continue. At the same

Kimberly-Clark, Prudhoe Mill, Princess Way, Prudhoe, Northumberland.

Oil price rise helped the UK

From Lord Kaldor Sir,—There is no point in continuing the correspondence with Professor Maynard and I regret that I ever began it. I must however point out in part-ing that I never said or implied ing that I hever said or infinite any such nonsense as he (February 20) attributes to me that "OECD countries, apart from the UK, did not suffer from economic recession following the oil price rise in 1979-80."

I argued that the sharp recession of the UK economy in the first two years of Mrs Thatcher's first two years of Mrs Thatcher's Government was due to Mrs Thatcher and had nothing to do with the second "oil shock," nor was it part of e "worldwide recession" since there was no such recession in that period. Moreover, the UK economy began a steady recovery after the second quarter of 1981, whereas the European recession had only just started.

had only just started.

from the second oil shock and not to lose by it. Nicholas Kaldor.

Sinister customs on the motorway

House of Lords.

From Mr R. A. Murdoch Sir, — As a frequent traveller to Spain, I was interested to read your comments on Spanish customs (Men and Matters, February 18).

February 18).

Having also witnessed the outraga in the Spanish media on the customs procedures at Heathrow, I can add a further—but somewhat more sinister—illustration of discrimination against foreigners.

against foreigners.

Returning from a late vacation in September at top speed—because my vehicle had broken down and wa were in danger of forfeiting £1,200 of ferry reservations—I was quite rightly stopped by the Spanish police on the autopista

Spanish police on the autopista near Zaragoza.

This, in itself, was hazardous. However I noticed that five other vehicles — all foreign — had been pulled up and were being processed on the hard shoulder. In the meantime Spanish registered vehicles travelling at equal or greater speeds were passing by with impunity.

When I commented to the police that they seemed only to

port, because I do not believe an enough competition between to simply, that unlike other OECD overcome inefficient duplication of resources in a fragmented in-

they quickly and courteously did my paperwork so that I could pay the nominal fine. I came to the conclusion tha it was a pure revenue-raising exercise and possibly even illegal as it might well have

Asset stripping

From Mrs M. Davies,
Sir, — Andrew Gowers reports (February 18) that tha
Forestry Commission is believed
to be considering the sale of
more woodland in the light of

Norwich accountant. He did not mention that Mr Coutts is, in fact e Forestry Commissioner. In the past, there has been concern about sales of Forestry Commission land and further sales of these state assets would attract more disquiet. People feel that benefits directly accrue to ordinary citizens from

forestry operations are run less competently than they would be under private ownership. Pri-vate forestry needs the support of generous grant aid and tax benefits which might have to be benefits which might have to be increased to ensure proper management of Britain's woodlands. In the overall balance, public ownership seems to offer such clear advantage to the British public that sales of any more forests should be con-demned as asset stripping.

negal as it hight well have caused a major accident I certainly would not like to wave down vehicles from tha centre lane of a busy motorway!

R. A. Murdoch. Kippington, Sevenoaks, Kent

of forests

advice from Mr Ian Coutts,

the enormous potential for re-creation in these forests.

In addition, it seems there is no suggestion that the state

How to be your own boss without giving up your job.

You are an able, ambitious company director with many ideas on how your company can do better,

But you've also got a group board who continually turn down your ideas ('no resources available') and submerge you with paperwork ('in accordance with group policy').

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PEAT MARWICK

Why switchboard calls cannot be diverted from empty offices

Why switchboard calls cannot be diverted from empty offices

From Mr J. P. Compton—Sir—Your correspondent J. Larkman. (January Z?) asked to use his new telephone gystem to divert incanning calls to another number. enabling a 24-hour service to be given, including times when his company offices are unixeffed. He is right that this is not an allowed feature of any telephone switchboard ("PABX") currently approved for general use in the UK. But this is not because it is directly excluded by smy other licence under the Telecommunications Act. Rather it is a question of the procedures for expension simply by making suitable alterations to the approval of the connected to BTe network—PABXs are not at present approved for cell diversion. It would be possible to allow call of the connected to BTe network—PABXs are not at present send of the connected to BTe network—PABXs are not at present send of the connected to BTe network—Expension simply by making suitable alterations to the approvals of the various telephone switchboard and the like a narked adverse call diversion single and the like are used adverse approved for cell diversion to the connected to BTe network—PABXs are not at present send the interest of the thing to the interest of the whole to travel over at least two extra local exchange lines. The laws of physics mean that the phone calls unavoid. When extra local exchange interest two curves the diverting apparatus that is on the procedures for the use of the loss in call quality this extended by the diversion sout to be very difficult to achieve this compensate of the loss in call quality the substitution of the procedures for the case of limitations inherent in the two-wire transmission which to achieve this compensate of limitations inherent in the two-wire transmission which to achieve the connection of exchange lin approvals of the various tele-phone switchboard models Regulatory requirements have

The Government has judged Director, Non-PTO Licensing that the deterioration which would result if uncompensated Holborn Viaduct, EC1.

FINANCIAL TIMES

Thursday February 27 1986

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US ASKED TO BACK INTEREST RATE CEILING ON DEBT SWOLLEN BY OIL PRICE SLUMP

Mexico seeks \$9bn refinancing

BY DAVID GARDNER AND ROBERT GRAHAM IN MEXICO CITY

a 59hn rescue package of new mnney and emergency assistance following the collapse of the interna-tional nil market. Its proposal includes a limit on payments equivalent to a cut in interest rates of about 2 per cent on its \$97bn for-eign debt, according to Mexican sources familiar with the negotia-

This is the higgest single financing ever sought by a developing country. It is almost twice the amount Mexico was nriginally seeking at the beginning of this year and, for the first time since the debt crisis began in August 1982, the package introduces the principle of

a limit on interest payments.

The attempt to lighten the intermost sensitive element in negotiations being conducted in Washingion since Monday by Mr Jesus Silv Herzog, the Mexican Finance Min-ister, and Mr Miguel Mancera, the Bank of Mexico chief, and Mr James Baker, the US Treasury Secretary, and Mr Paul Volcker, chairman of the Federal Reserve.

As the third day of meetings be-gan yesterday US officials were still refusing to give any details on how

MEXICO is seeking US backing for the banks nor the International a list of 80 companies, including hurden of about \$2bn now being involved in the talks.

> for other Latin American debtors. The Cartagena group of Latin America's 11 main debtors including Mexico is to begin a special sised that Mexico must commit it-meeting in Punta del Este, self to fundamental economic

> Uruguay, today. Details of any Mexican-US agree-ment are unlikely to emerge until after the Cartagena meeting which related interest rates even though Mr Silva Herzog is due to attend.

> statement last Friday by President flexible. Miguel de la Madrid that his country was no longer able fully to service its debt obligations. This year revenue shortfall, which President cluding \$10hn in interest – to its internatinual creditors.

(\$2.2hn) cut in interest payments. Against this Mexico would trim its budget by the same amount, or about 3 per cent of total planned spending for 1986.

Mexico has also pledged for its part to help cut the public sector deficit hy speeding up privatisation. Mexico is ready to put on the table substituting for lateral and late

large manufacturers.

While the US has made clear its The principal US concern is to ensure Mexico is treated as a special have said that they would like to case and is not seen as a precedent see the financing burden on development. oping countries reduced hy banks lowering interest rate margins and fees, the Treasury has also empha-

Ar Silva Herzog is due to attend. there are some signs that commeri-The Mexican move fullows a cal bankers would like to be more

Mexico is due to pay \$11.2hn - in- de la Madrid said would be \$6bn. Of the remaining funds sought, \$1hn is to boost reserves now thought to Mexico is understood to want the have fallen to about \$3hn from US to endorse a 1,000bn peso more than \$8bn a year ago; \$1bn to cover capital flight, and \$1.5bn to help finance the budget deficit. Oil would normally provide balf the Government's revenue and three quarters of Mexico'a foreign

sought, Mexico's new money renurement is \$7bn.

Significantly Mexico's demands for relieving the interest payments burden are not as far-reaching as was being canvassed bere last week. The Mexican Planning Ministry pushed hard for savings totall-ing \$4hn rather than the \$2bn now

So far the negotiations bave been dealing with the shape of the rescue package and its political and financial implications. The international dimensions of the talks have been underlined by the fact that Mr Silva Herzog also met Mr George Shultz, the US Secretary of State.

In the first two days of negotiations this week the banks and the International Monetary Fund were not directly included. The details of any agreement are unlikely to emerge until after the Cartagena meeting, which Mr Silva Herzog is

The US Treasury is understood to have disputed Mexico's estimate of its new finance needs, believing the palance of payments element is befunding of the domestic deficit.

Digital and US officials 'acted illegally'

By Ivor Owen and

A BRITISH MP is to submit evidence to the Department of Trade and Industry (DTI) alleging that US Government officials were involved in illegal activities jeopardising Systime, noce the UK's second larg-

Mr Michael Meadowcroft, a Liberal, outlined a series of allegations in the House of Commons on Tuesday against the US Government and Digital Equipment Corporation (DEC) of the US, Systime's major

upplier and competitor. He said that British Government inaction had led to the application of extra-territorial US legislation imposing US law on UK exports and even UK citizens. Mr Meadowcroft said DEC and DTI officials and ministers had been involved in "illegal, improper and todecisive ac-tivities" which had damaged Systime

The British company's payroll had been reduced from 1,200 in 1984 to about 400 at present. At the end of last month it was announced that Systime had sold a substantial part of its business to DEC in settlement of a £5m suit for the alleged copying of computer equipment.

The British company grew rapid-

ly selling mini-computers based on hardware made hy DEC. After Systime started selling its own equip-ment DEC sued for £5m claiming that Systime had copied its printed circuit boards. In the House Commons, Mi

leadowcroft claimed that: The UK Government had specifc knowledge of the illegal removal of documents from Systime in Leeds to the US and of "improper interference" in UK domestic affairs by two US embassy officials. Mr Jack Lacey and Mr Timothy

aged" because of a sustained cam-paign - "much of it illegal" by DEC.

• Mr Pier-Carlo Falotti, European vice president of DEC, had told DEC staff: "I want you guys to go

DEC, had claimed that Systime was illegal pirating DEC software on a large scale and bad exported 400. DEC computers to the Eastern bloc lisguised as jukeboxes. This was said to have been discussed at a meeting attended by Sir Geoffrey Sterling, the DTI special adviser "representing 10 Downing Street and the DTL

Between 1983 and July 1984, Mr Meadowcroft said, DEC obtained Systime's crucial customer list, and it is alleged that Systime's offices in Washington DC were broken into or that staff were hribed.

In Leeds, Systime's own shipping files were apparently raided and

Those two sets of documents, Ma Meadowcroft said, with the report used in the meeting attended by Mr Sterling, were given to the US Deton. The department then began ar investigation of Systime.

In July 1984 UK Customs officers acting on advice from the US Gov-ernment raided Systime in Leeds but found that the key shipping doc uments were not there. It was later discovered they were already in the US being used as evidence against

Mr Richard Martin, director of Corporate Communications at DEC said yesterday the company could not comment on the "highly col-oured allegations" until it had seen the full text of the allegations. DEC said Mr Meadowcroft had produced cross-checking his facts.

Two weeks agn we offered Mr Meadowcroft the opportunity to hear the facts of the case. So far he has shown no interest in taking up case would have impeded the path of publicity for Mr Meadowcroft,

S & W Berisford has never felt quite at home to the stock market. BRITISH SUGAR The company has consistently prostands both its husiness and its bal-ance sheet while the market has and - increasingly - at its perfor-mance. The 1982 takeover of British Sugar turned sour almost immediately and, more to the point, bas enormously complicated Berisford'a return to private status. The compa-

first shed its sugar beet assets. The proposed deal with Ferruzzi should, if concluded, achieve both objectives at once. The Italian group would acquire Berisford, retain British Sugar and spin the other assets off through a leveraged nuy-out. Success is not, however, a parently planning to pay about £340m, which represents a prem-ium of only 8 per cent to Berisford's market capitalisation on Tuesday night, before the story started to leak. Shareholders may well consider that too small a price to be paid for the passing of control.

ny could not contemplate shedding

its stock market quotation unless it

Even as presently constructed, the deal is financially very ambitious. Ferruzzi expects to pay £200m for British Sugar and as-sume a further £200m of debt, rep-resenting in all about 10 times British Sugar's normal level of earnings, This would leave Berisford'a management paying about £140m for a business with approximately that much net worth and total borrowings of about £550m. That position could admittedly be improved by the disposal of the Billingsgate property, the RHM stake and other bits, but even a miniaturised balance sheet might show net worth of about £180m supporting debt of about £300m, perhaps two-thirds of which would be trade-related. And hat is before the buy-out finance has been arranged or account is taken of any further provisions which may be required against the

Berisford has pesumably done its sums, however, and in the present climate almost any degree of lever-age seems possible. The more imthe authorities in London and Brussels. Ferruzzi has, besides its Italsource of alternative supply to the improvement at Signetics, this year unlikely.

Peterborough

THE LEX COLUMN

Romans return to

well argue that the acquisition of British Sugar by Ferruzzi would be

a greater constraint on competition

than the concentration of the UK-

sugar industry. For there is no

doubt that T & L would dearly love

Philips' difficulties with its US.

ni-conductor operation were so

well advertised in the course of last

year that yesterday's preliminary

figures, showing a 17 per cent drop in net income for the year (to FI

919m) and a 6 per cent decline in

the fourth quarter were well antic-

inated. Even a halving of historic

cost per share earnings was swal-

lowed in the US without a qualm.

to buy British Sugar itself.

Philips

Dollar

It is exactly a year since the dol-lar, apparently unstoppable to its ascent, touched DM 3,4780. With the headlong acceleration which brings despair to believers in rational markets, the dollar is now falling just as fast as it was rising 12 months ago, having already given np over a third of its then value. And in a mirror image of the official virility talk which made the dollar seem such a safe bet on the way up its 1985 spike, the US authorities still seem remarkably determined to push the dollar downhill

current cost Fi 5.5 or so. On yester-day's Amsterdam price, down half a guilder. Philips has still to regain its traditional market premium.

Mr Volckera evidence yeste ar volcaera evidence yesterday speke of stability, but when taken together with recent statements from the Administration — looking for a still lower exchange rate and forecasting a virtually unchanged trade deficit—it could have only one effect. Volcher agrees with Baker was worth an immediate 1.5 pfenning off the doller. Nor was that nigs off the dollar. Nor was that reaction entirely unreasonable: from the traders viewpoint, Mr Volcker was either contradicting his own firm-dollar argument of only a week ago, or he was still funda-mentally at odds with Mr. Baker, In either event, the dollar was a straight sell. As last year, however, a point

While Philips is promising nothing on its integrated circuits business, it has gone a long way to turn- may be approaching where the ing round its consumer electronics market has to think about a change empire. Free of last year's heavy of tack, The Federal Reserve may provisions and swelled by the have ruled out a protective tighten-forced consolidation of Polygram, ing of credit for the present, but the the division turned into profit for expected movement on trade must the first time since 1983. Working favour some stabilisation of excapital ratios may have been wildly change rates before too long. There capital ratios may have been wildly flattered by an appreciating guilder, but so long as Philips goes on bammering away at its stock turn, the improvement this year should be substantial; the compact disc venture with Sony looks a much better bet than ever did the Philips video-cassette recorder, Meanwhile, even the mature appliance and lighting businesses showed margin improvements. Philips will argue, as forcefully as of this sort may force both Japan Siemens, that it cannot afford not to and Germany towards looser interian capacity, effective control of a go on committing resources to micest rates - making foreign ex-French beet producer which is a rochips; but even without any great change stabilisation a fraction less rochips; but even without any great change stabilisation a fraction less

US rejects **Soviet** doubts on

By Stewart Fleming in Washington

summits

THE WHITE HOUSE yesterday rejected Soviet suggestions that there would be little point to a second summit meeting in the US this year if there was little possibility of prog-ress on arms control. The US Administration said agreement on regular summit meetings "was one of the main goals" it sought and achieved at last November's Geneva summit

The White House response to the questinn mark that Soviet leader Michail Gorbachev has raised over Ronald Reagan came as Mr Reagan was preparing to launch a new cam-paign for the continuation of his build-up in defence spending. This is facing a rough passage in

Mr Reagan was scheduled to appear on US television last night to make a 20 minute address defending the huge expansion in the Pentagon budget since he came into office. He was also expected to explain why in the 1987 budget message to Congress, be has proposed a continuatioo in its growth.

Mr Larry Speakes White House spokesman, said Mr Reagan would underscore the relationship be tween American military strength and US ability to make progress in

In his budget message to Congress earlier this minth, Mr Reagan called for a 12 per cent rise in defence spending authorisations be tween 1956 and 1987 and a rise of more than 40 per cent between 1986 Even Congressmen sympathetic

to defence build-up have described the President's budget request as politically unrealistic. Congress is looking for major hudget savings aimed at reducing the federal deficit, and the Gramm-Rudman-Holl ings budget reform law has estabiished the principle that half the savings should come from defence. Last year Congress demonstrated its reluctance to raise defence spending by cutting the 1986 Pentagon hudget.

Mr Speakes said yesterday that Mr Reagan would only make passing reference in his speech to the change of government in the Philipines and to his \$100m request for the Contra rebels in Nicaragua.

Ulster Unionists call one-day strike against Anglo-Irish pact

BY OUR BELFAST CORRESPONDENT

strike for Monday to disrupt indus-Anglo-Irish agreement. Mr James Molyneaux, the Offi-

Ireland Assembly little more than no illegal action, nor any involve-24 hours after be and the Rev Ian ment by paramilitary groups. The Mrs Margaret Thatcher, the Prime by elected politicians. Mrs Margaret Libertal avoided Minister, to report they had avoided deadlock with the British dustry (CBI) and other employers' bodies immediately appealed for they

uading them to intensify the cam- tants in 1974 brought about the col-

The agreement approved last year by the British and Irish Parliaments gives the Dublin Government a policy-making role on certain matters concerning the province, including security, politics and the administration of justice. The

PROTESTANT supporters of province's Unionist MPs resigned Northern Ireland's union with Brittheir Westminster seats to protest ain yesterday called a one-day against the accord, and all but one were returned to office last month try, transport and electricity sup- in special elections which they proes in protest against last year's moted as a referendum on the

Mr Molyneaux insisted yesterday cial Unionist Party leader, anthat Monday's stoppage would be nounced the strike in the Northern voluntary. He said there would be Paisley emerged from talks with strike would be rigidly controlled

It appears that hard-line ele-ments, especially in Mr Paisley's Democratic Unionist Party, have beld sway over the leadership page.

against the Anglo-Irisb lapse of the Sunningdale agree-ment, a British initiative for powersbaring between Protestants and Roman Catholics in the province.

The attitude of the Uninnist leadership in the wake of Tuesday's greeted with dismay in Du talks with Mrs Thatcher changed where hopes had been high sharply during a meeting in Belfast Tuesday of progress on

which co-ordinates the campaign There was strong pressure on the leadership to agree to "add muscle" to their protest.

that he bad bowed to the hardliners but said: "We agreed with Mrs Thatcher to a period of reflection and to meet again shortly. The period of reflection has been somewhat shortened because the working party believed, in the light of the Prime Minister's refusal, to cease imple-menting the agreement, that there was very little point in reflecting further or having another meeting."

The CBFs Northern Ireland Council asked people to consider the damage which a strike would have. It said the Government could the control of th be in bittle doubt about the extent of A private detective agency, Net-

strike would not change attitudes. It might, however, change the minds of businessmen about making sorely needed investments. Hugh Carnegy reports from Du-blin: The Unionist decision was

greeted with dismay in Dublin where hopes had been high on of the Unionist joint working party, Anglo-Irish agreement.

Canada acts to cut back deficit

Michael Wilson, yesterday proposed a wide range of spending cuts and tax increases in a hudget designed to allay international con-cern at the Federal Government's uncomfortably high budget deficit and debt hurden without provoking a backlash from domestic pressure

The measures include higher per-sonal income tax rates, the with-drawal of numerous tax conces-

(USS24.6hn) in the year to March 1986 to CS29.5bn in fiscal 1987 and

jump in domestic interest rates

CANADA'S Finance Minister, Mr sions to individuals and companies, ally one of the highest among inreduced foreign aid and slower dustrial countries. The Government growth in defence spending. Mr estimates that the budget will re-Wilson estimated that the budget duce the deficit from 7.6 per cent of deficit would decline from CS34.3hn gross national product this year to gross national product this year to less than 4 per cent at the end of the decade.

It proposes a 3 per cent surcharge A sharp fall in the value of the on personal income tax from July Canadian dollar and a subsequent and a similar surcharge on companies from next January 7. The fedbave increased pressure on Ottawa eral sales tax, levied on manufacin recent months to come to grips turers, will go up by one per cen-with the deficit which is proportion-

Danes set to vote for EEC reforms

Continued from Page 1 sovereignty of the Folketing and on

the strong grass-roots ties of Dan-Finally, there are the Nordic and neutralist opponents of the package the former still bankering after a Nordic alliance instead of the EEC, the latter fearful of any moves to-

reinforce political co-operation with hig powers such as Britain, France and West Germany. A clear Yes vote in the referendum will mean that whole coalition of dissatisfaction will have been

The European Commission office in Copenhagen calculates that the average net annual income of Den-mark from the EEC hudget over the 13 years of membership has been about DKr 25hn (\$301m), thanks largely to the export subsidies and guaranteed prices of the Common Agricultural Policy.

There seems very little to put on the debit side. Denmark's trade def- market movement,

cannot ignore the very large eco-nomic benefits of EEC membership and the very real cost of any threat ciably worsened since EEC memciably worsened since EEC mem-bership. Danish fishermen hated tem under the Common Fisheries Policy. But they admit that if it did not exist, and they were not EEC members, the Jutland fishing in-dustry would be decimated by its

> Indeed, many believe that a substantial Yes vote in the referendum will be the death knell for the anti-

probable exclusion from EEC

"Excellent overall performance."

This was a recent description of Oppenheimer's investment achievements over 1985, a year when our European Growth Trust out-performed all other authorised unit trusts in the UK.

1986 has started very well with statistics for the 12 months to 1 February 1986 showing 5 of our 10 funds in the top 100 of all 725 authorised unit trusts and, as importantly, none in the bottom 300* This excellent overall performance was achieved by active management as demonstrated by our 3 general trusts, International, European and Pacific, all of which were 2nd in their respective sectors over the last 12 months.

*Source Planned Savings: offer to bid, income reinvested, 12 months to 1.2.86.

 $01-236\ 3885$ (6 lines).

Mercantile House Group

outweighed by brutal economic pragmatism. Danish voters simply French SDI condition, Page 2 Warkt-Weather

Egyptian security forces riot

Two hotels, the Jonevine day.

Holiday Sphynx at Giza, were heaveday.

Cairo was last hit by serious riotily damaged. Foreign guests said Cairo was last hit by serious riot that units of the Central Security ing in January 1977, following a Forces stormed in late on Tuesday, government decision to reduce subshooting and starting fires. Houses. sidies on basic foodstuffs in order to night clubs and apartment blocks combat critical balance of payments were also attacked. The historic problems. Mena House hotel was slightly

Helwan and a train set on fire. Western military sources said hit. there were normally un to 500,000 Egypt has, in the past month, also conscripts serving in the Central been forced by falling prices to cut

Two hotels, the Jolieville and the about \$1.50 a week and two meals a imports, the Government may need

Whatever the political outcome of the continuing fighting, it is certain Factories and other installations to worsen Egypt's deteriorating ecowere reported to have been at nomic situation. Tourism, which tacked in the industrial area of had been expected to earn over Sibn this year, is certain to be badly

its foreign deht of over \$30bn. Servi cing the debt currently accounts for about 35 per cent of annual hard Having to call in the army to res tore order is another blow to the embattled President Mubarak. The

urgent assistance in rescheduling

hijacking of the Italian cruise liner Achille Lauro, the subsequent force ing down of an Egyptian airline by US military aircraft and the fateful storming of the Egyptair flight in Malta caused him international embarrassment at a time when he was seeking to promote Middle East Security Forces, which comes units oil exports by nearly balf. With peace moves with King Hussein of der the Ministry of the Interior, foreign currency reserves of about Jordan and Mr Yassir Arafat of the They receive the equivalent of \$700m, equivalent to one month's

Bugs on the market · FMCG · Stockbroking

BY MICHAEL DIXON

Investment **Specialists**

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work with a large number of the City's most emi-nent stockbroking firms and investing institutions. Heightened market activity has led to unparalleled opportunities of career advancement for experienced individuals, through from junior to partnership/directorship level, with particularly strong demand in the following areas:

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Michael Page City International Recruitment Consultant London Brussels New York Sydney

Amember of the Addison Page PLC group

ASKED how they feel about bugs, most readers prone to fin soya beans. A third product is and the like would probably say they would cross busy streets to avoid them. They may therefore to be surprised to hear that some be surprised to hear that some well as in the United Kingdom folk are so possessive about the wretched things that they havo an itch to know their own being of the company-wide stoot and the branching from other people's.

That is partly why the Bio-Technica company of Cardiff has passed the film turnown, and the Jobs column in search of branding micro-organisms so that, should they be the subject of branding micro-organisms so that, should they be the subject of law, there can never be a case of mistaken identify. Like wise their offspring from generation.

"Wind you, it's not good for sexual reproduction," says Still be case of mistaken identify. Like wise their offspring from generation unto generation.

"Wind you, it's not good for sexual reproduction," says Still be case of mistaken identify. Like wise their offspring from generation unto generation.

"Wind you, it's not good for sexual reproduction," says Still be case of mistaken identify. Like she manage of the sexual reproduction," says Still be conceptual thinkers who have followed the new who's your father, there are better ways of finding out. But if you happen to be a plant, or something else which reproductes assexually, if you person ally want to know who's your father, there are better ways of finding out. But if you happen to be a plant, or something else which reproduces assexually, if you person as which is a good to remain the produces are produced as a section. The case of the non-food variety in north-east England.

Inquiries to Dr Hogarth-Scott as the come between the business world and accompany to be desired. The section of the company-wide stoot to the divisional Bot know.

That is first the company-wide stoot to be given more responsibility.

Another personability.

Another personability.

Another personability.

Anothe

to be a plant, or something else which reproduces asexually, It'a which reproduces asekuany, it a just the ticket. So people who develop or produce novel organ-isms—a high-yielding strain of wheat, say—can protect their property. You can already patent such things, in the US at

Besides the bug-branding process, the company owns a couple of hard-working weenies which respectively help farmers to make better silage and do what fertiliser does, though in a dif-

and market opportunities inter-nationally. Candidates should be conceptual thinkers who have done the same kind of work profitably in an industry using a complex technology, perhaps chemicals, and be capable of swiftly learning the ins and outs of another one. Numerecy is essential. Foreign language skills would be an advantage.

Although no target in terms of figures is being set initially, whoever gets the post will be expected to achieve a marked expected to achieve a marked too, in the division's style of expansion of markets across the direction. Some of the workworld within a couple of years. force are finding it difficult to

The plant, whose products are changed fairly often, is being re-equipped. New notes are apparently being struck, The salary range in mind is keep in tune, but whether any

Salary negotiable around £25,000. Car among perks. may not name. So, as is ever the case in this column when recruiters keep their client's identity under wraps, he promises confidential treatment north-west England although egain with a non-food fast-rowing consumer goods. moving consumer goods company. The need here is for

a thoroughly seasoned personnel manager, versed in all perts of the craft, able to take charge of and develop the wholo personnol company's

£20,000, again with a car among the other benefits.

Inquiries to Standring Executive Search Associates, 83, Wycombe Roed, Marlow, Bucks SL7 3HZ; telephone 06284 5931. telex 847159 Marlow G.

boards and the fillings out of your teeth.")

The lead analyst will produce and market strengths and likely future directions of companies in the sectors mentioned, and present them to a variety of

Analyst

while it may seem selfcentred to say so, it occasionally
strikes me thet one of the
qualities which characterise us
journalists is a tendency not
only to drink our own bathwater, but also to thrive on it.
And as it heppens, today's next ate is £t
to health for thet quality with job calls for thet quality with

iob calls for thet quality with a vengeance.
Offered by recruiter Frances McNulty of Cripps, Sears and Associates, it is for a journalist who earns his or her nearliving as a specialist writer prodnosing into the business affairs of the newspaper industry, with allied interests in other publishing as well as printing and packaging.
Such a person is wanted by an unidentified London stockbroker as a lead analyst. (The

an unidentified London stock-broker as a lead analyst. (The word before "analyst" is presumably pronounced leed and not led. Which reminds me of a poster I once saw, showing a mass of I once saw, showing of a poster I once saw, showing a mass of determined orientals marching forward and bearing the banner: "In Socialist China the workers take the leed." Inquiries to IPP (UK), 133
Underneath was scribbled: "In
capitallst Britain they also take
the zinc, copper, iron, floor22861. The salary indicator is around

in the sectors mentioned, and present them to a variety of clieots. If the recruit really knows which way the newspaper industry is going, the Jobs column would welcome relevant extracts from the reports sent under plain cover — with the employer's agreement,

Salary not quoted. My estimate is £25,000-£30,000.
Inquiries to 88-89 High Holborn, London WC1V 6LH; Tel 01-404 5701, Telex 893155.

and all that jazz

WAY down yonder in New Orleans (yes, really!) a stock-broker has asked UK recruiter Iain Cunningham to send over "several" Internationally know-ledgeable senior brokers as well

Juniors on \$24,000 plus bonus for first 18 months.

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The successful candidate must have excellent numerical, conceptual and interpersonal skills and is likely to have had exposure to quantitative analysis and computer modelling. This organisation can offer exceptional prospects

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In both cases some training will be given but fluency in Japanese and a good understanding of Japanese protocol are

Applicants must be able to commence duties shortly.

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se apply in writing, with a detailed curriculum vitae, to: Mr. N. Kawaguchi — Personnel Manager DAI-ICHI EUROPE LIMITED 8/13 Chiswell Street, London EC1Y 4TQ

Tel: 01-623 1266 Jonathan Wren Tel: 01-623 1266

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Contact David Williams.

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Applications should possess the following: a) success in a senior management accounting role; b) successful experience in a non financial role, c) the ability to contribute in such areas as planning, costing and cost control, incentive schemes, and pricing; d) a chartered or cost and management accountancy qualification. The age indicator is 35 to 40.

The post offers excellent personal development opportunities and the need to become involved in the overall management of a business.

Please write in confidence to M.J.B. Ping, enclosing a detailed curriculum vitae and quoting reference F116P to: Ernst & Whitney Management Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

Ernst & Whinney

Investment Manager

Charter Consolidated PLC is looking for an Investment Manager with Far East experience to join a small team responsible for the active management of both trading and long term international invest-ment funds and in which there is a strong element of personal initiative end accountability. Applicants, male or female, should ideally be in their late 20's or early 30's and be graduates or professionally qualified. Applicants must have had experience with either a financial institution or stockbroker. A good knowledge of Far Easternmarkets, particularly Japan, is essential as is an ability to trade and research on own instative. Applicants with less than five years relevant experience would not be either this appointment.

not be suitable for this appointment. Salary will reflect the high personal qualities required. Attractive conditions of service include a generous mortgage interest subsidy scheme, company car and assistance with relocation

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lead to an opening for a high net worth Private Client Executive. Experience of Private Client Executive. Experience of portfolio management and investment research in the international equity and bond markets is essential. With offices in the West End, a minimum discretionary account size of US\$ I million and clients who are mostly in the Music Industry this position offers considerable scope for career advancement.

A large independent Stockbroker with substantial Private Client business seeks a self-motivated individual to manage a variety of portfolios. Probably aged 24-32 the successful candidate will have Private Client or Bank Trustee experience and ideally some attached clients. Working in an expanding team, this position offers responsibility, some travel and opportunity for progression.

£23,000-£28,000

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The TSB England and Wales require a senior experienced banker to fill the above mentioned appointment

City

The responsibility includes the development, direction and control of commercial lending within the Bank This will require substantial domestic lending experience and a knowledge of international capital markets. The applicant will also be expected to participate in the promotion of the Bank's services and generally supervise the marketing activities of the lending function. Apply in writing enclosing a full curriculum vitae. including details of present remuneration, to H. B. Nichol, Personnel Controller. TSB England and Wales, P.O. Box 99. St Mary's Court, 100 Lower Thames Street, London EC3R 6AQ to arrive



Our client is an International Bank with world-wide representation; its Head Office being in continental Europe. The bank has a record of success in commercial and merchant banking over many years and continues to expand its activities both in

no later than 12th March 1986.

Current plans for development in London include an increased commitment to the investment sector, as a result of which the following appointments mark the first

Investment Manager

To control a small but expanding team advising on and selling UK and European equities and fixed interest stocks mainly to financial institutions. Trading in such securities is not precluded in the near future. Also, there is a growing emphasis on increasing volumes of business with private customers and on portfolio management. As there is already a satisfactory level of activity and income, the duties of the appointed individual will be to develop the scope of the

department on many facets, in coordination with colleagues in other countries and to ensure the full exploitation of the Bank's potential in those areas in which it has much to offer.

This appointment offers challenge and opportunity in a soundly based environment. The remuneration package is negotiable and will reflect the importance attached to the assignment, it will include normal bank fringe benefits. (Ref. AR/1500)

Institutional Sales U.K. & Europe

Due to the increasing volume of business being generated by our client's investment area, there is an Immediate requirement for two additional sales executives. Candidates are likely to be graduates with 1-2 years experience gained in either the U.K. or European markets. They must be self starters, with a

commitment to the establishment of sound business which will contribute to the on-going development of the bank's investment interests. Linguistic skills, particularly in French or German, will be advantageous but not essential. Salaries will be competitive and include a good range of bank fringe benefits, (Ref. AR/1501)

Please reply in confidence, quoting the appropriate reference to David Grove, Consultant to the Bank, by telephoning 0753 869346 or in writing to: March Personnel Services, 12 Sheet Street, Windsor, Berks. SL4 1BG. Interviews will be held in London.



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The successful candidate, preferably aged 25-30, is likely to have a degree in a scientific subject. He or she should have experience of working with international technology related industries and preferably will have

had exposure to these industries in the U.S.A. or Japan.

He or she needs to be articulate. literate and of a strong personality so as to be able to make a case positively to senior members of the organisation or its clients. The position will require close liaison with our offices in the

Applicants of either sex should write enclosing their C.V. to

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Banking Recruitment Consultants

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A key post with a major investment house, emphasis in this case centres an leadership, innovation and promotion potential combined with a broad knowledge of todays securities market. This firm is keen to identify temporary senior manager and would expect to recruit someone from another bank or investment firm on the leading edge of today's changing financial services industry.

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INTERNATIONAL EQUITY

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A chailenging rale with one at the City's large U.S. Investment firms building a substantial presence in international equity trading. They wish to recruit a good tran-manager who can bring in-depth experience to their support function, heishe must have a sound knowledge at the completities involved with setting trades in various currencies worldwide.

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A senior position within a very fast growing U.S. equities trading section, current experience is called for and should cover the following: trade confirmation and instructions, opening new accounts, settlements, tollow up to fails, client and trader to ison. Candidates in their late twenties or early thirlies must be prepared to work hard and get ahead in a pratessional and expanding environment.

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This rapidity expanding team requires an additional securities decier to take responsibility for the buying and selling of securities on behalf of the bank's private clients. Experience of the English, Swiss and American markets would be an advantage as would some stockbroking knowledge. Please contact lan Rennardson

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A knowledge of German, whilst not essential, would be a distinct advantage. The usual executive benefits including car, private health-care and pension scheme

> Please write enclosing full cv to the address below, including contact phone numbers and quoting ref: P3024/FT on the

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INTERNAL AUDITORS

The Bank of Credit and Commerce International is further expanding its Audit Division. Applications are invited from Chartered and Certified Accountants who have had at least two years internal audit experience preferably of financial institutions.

Chartered finalists with sound audit background will also be eligible. Applicants should be prepared to travel both within U.K. and abroad Age not exceeding 27 years.

The compensation package will be fully competitive.

Eligible candidates should apply latest by 31st March 1986 at the following address with C.V. and a passport size photograph to:

Mirza I. Ahmad, Central Audit Division, Bank of Credit and Commerce International S.A., Licensed Deposit Taker, 100, Leadenhall Street, London EC3A 3AD.

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London SW1

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For full job description write in confidence to W.T. Agar at JC&P, Selection Consultants, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements, quoting 2248/FT. Both men and women may apply.

● John Courtis and Partners ● ●

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Our client, a City based Financial Group, are currently seeking to expand their investment Department. The successful applicant will be part of a small team managing both trading and long term international investment funds.

Applications are invited from high calibre graduates or professionally qualified candidates with at least five years relevant fund management experience gained with a City institution. A good knowledge of the US market is essential and applicants ahould be capable of accepting the high degree of personal initiative and accountability expected.

The conditions of service are attractive and include a competitive salary, mortgage assistance and a

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Carlotte and

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A ST

Jonathan Wren

Quantitative Analyst

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All applications will be forwarded to our client. Please advise if there are banks by whom you would not wish to be considered.

Recruitment Consultants 170 Bishopsgate, London EC2M 4LX. Tel: 01-623 1266

ACCOUNT MANAGER Scandinavia

City

£30.000+

Our Client, a significant and highly successful International bank, seeks to appoint a senior lending banker to market its products in Scandinavia.

Essential to the role as envisaged in this new appointment will be the development of corporate business throughout the Scandinavian continent, together with Scandinavian banks and subsidiaries based in the UK-considerable travel will be

Candidates, probably graduate bankers, will possess a strong background in credit and marketing, preferably with experience of the Scandinavian sector. Selfsufficiency and initiative are obvious essential requirements, as are maturity and well-developed negotiating skills.

This is a challenging opportunity for personal growth and reward, with an attractive salary accompanied by a panoply of traditional banking benefits, fully-expensed motor car and bonus.

Contact Norman Philpot in confidence on 01-248 3812

Chief Executive-Construction

Salary in the range £40,000 to £50,000 + share options

The EBC Group plc has a consistent record of growth and success since its foundation in 1939. It now has a turnover of around £60m and four trading divisions:-contracting, building and maintenance, development and housing, and specialist services. Principal trading areas and company offices cover the Southern and Western Counties, and there is a national capability in some activities. This post reports to the Chairman, and the vacancy arises because of an impending retirement. Responsibilities will include both the complete control of the company's trading operations, with over 1000 employees, and the development of policy and strategy for future

growth in turnover and profitability. Candidates should be in the 40-50 age range, and educated to degree level, with corporate membership of a recognised and relevant professional institution.

Broad experience at senior level in the construction industry is important, but the right blend of business and organisation skills, and personal qualities of vision and leadership are equally essential.

This is an excellent opportunity to join a highly successful, expanding, well-managed company in a position which is central to its future development.

A highly competiove remuneration package will be offered, including company car, private health insurance, share option participation and relocation assistance to this very attractive South West location, based on the cathedral city of Exeter.

Please write or telephone for an application form or send detailed CV m C. W. Theaker; at the address below quoting ref: GM80/9728/FT.

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6 Highfield Road, Edgbaston, Birmingham B15 3D] Tel: 021-454 5791

Senior Trader

Japanese Yen Securities

Our client is the investment banking subsidiary of a major US bank with a substantial London based trading presence. Due to expansion they require a senior trader to manage their primary and secondary market positions in Yen instruments. The role includes establishing strategies, interlinking with other areas of the bank and managing a team of professional traders.

Exceptional knowledge of Japanese domestic and international capital markets gained over at least five years is essential. This must be combined with strong dealing abilities and the persuasive skills necessary to package, negotiate and sell complex transactions. Experience of developing and managing a team in a high pressure trading environment would be a considerable advantage.

Salary package, including substantial bonus potential, is fully negotiable and will reflect the seniority and importance attached to this role.

Interested applicants should contact Christopher Smith or Sally Poppleton on 01-404 5751, at 39-41 Parker Street, London WC2B 5LH, quoting ref. 3605.

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INVESTMENT ANALYSTS

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An independent stockbroking firm with substantial inter-national business wishes to recruit three Analysts with experience in the engineering, property and retail sectors. Knowledge of the Pacific Basin region would be helpful.

CONDITIONS:

If you are working in a large institutional research department, you might welcome tha opportunity for greater responsibility in a smaller firm.

We offer a highly competitive remuneration package and stimulating working conditions for the successful opplicants.

APPLICATIONS:

Please apply in strict confidence with a brief to Box A0061 Financial Times, 10 Cannon Street, London EC4P 4BY

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£12-16,000 p.a.

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bankers, mid to late 20's, with relevant credit

Ona is to join a professional team within tha Credit Department of a major bank, whilst the

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analysis experience.

Account Officer status.

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INVESTING INSTITUTION

Our client, a pre-eminent City based institution with very substantial funds under management, oo a global basis, and an enviable reputatioo, seeks a high calibre individual to take day to day responsibility for the Treasury/Cash Management team.

Candidates will probably be in their late twenties or early thirties and will have an absolute minimum of three years experience. This may have been gained in either a City or commercial environment and will have included exposure to all relevant instruments and markets, such as Gilts, FRNs, FX, Futures and Options. Maturity and good communicative skills are also important.

The successful individual will take day to day responsibility for a small but well established Treasury Management team, including involvement in the control and monitoring of dealers and positions. The job also involves running a currency trading portfolio and responsibility for profit

The long term prospects are very good and remuneration including basic salary, pension and cheap house loan will be made attractive to the right

Please telephone or write to Stepheo Embleton, as advisor to the company, who will treat all enquiries in strict confidence.



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Austin Knight Selection



LEADING FINANCIAL ANALYST c. £16,500 + car + top prospects

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Just one year ago we combined, world wide, the capabilities of two industry leaders — Case and international Harvester, Together we form a multi-billion dollar market leader in agricultural and construction equipment. We are maximising the cost-effectiveness of our manufacturing plants throughout Europe and are polsed to capitalise on all our advantages,

Re-organising our combined strengths has created an opportunity to head up a small team within our newly formed European Finance Directorate at Walton-on-Thames where, incidentally, the working environment is extremely pleasant

essentially, this is a position for a justifiably ambitious young qualified accountant, already competent at supervising professional staff and now looking for fast moving career development in a European context. You must be equipped to provide senior European management with firm, on-time financial information packages covering forecasts, critical analyses, consolidated budgets

well be looking for the creative business flair to develop proposals for profit improvements, plus a level of presence and articulacy that will earn you the confidence of senior

managers internationally.

Aged around 30, you'll probably have had about three years post-qualification experience of financial planning with a major, preferably multi-national, manufacturing organisation. though you could be a senior auditor in a professional firm whose clients fit that description.

The salary and benefits package we are offering is excellent and includes company car. private medical care and relocation assistance where appropriate.



Please send your C.v to our Consultant, John Faith at Austin Knight Selection, 17 St. Helen's Place, Bishopsgate, London EC3A 6AS, quoting Ref: 157/JF/86 or telephone him on 01-628 5021.

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Financial Director

Retail Industry c. £30,000, car

This is the rare opportunity to join a new venture and this appointment will omplete the senior management team. The successful candidete will be responsible for introducing and managing the financial, IS and edministrative functions which will provide the eppropriate controls for a progressive retail company. Candidates, probably in their early/mid 30's, must be of graduate calibre and possess a professional accountancy qualification. Experience should include senior financial line management, responsibly within a successful retail accountancy in the management. preferably within a successful retail organisation, with wall developed

computerised systems.

Vital personal qualities include a high intellect together with the communication and leadership skills to exploit the outstanding potential of

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a personal history form to H.W. FitzHugh. Hoggett Bowers plc, 1/2 Hanover Street, LONDON W1R 9WB. 01-734 6852, quoting Ref: 20318/FT,

ASSISTANT FUND MANAGER

West End

£ Negotiable

Financial Sector Human Resources

Our client, a diverse U.K. based Financial Institution currently seeks someona to play an active part in its international

Fund Managament Team. Your background may be on the dealing side or perhaps In portfolio administration, but investment market experience gained in the last 2/3 years is an essential prerequisite.

The position will require the auccessful candidate to work closely with the Fund Managers, the variety of contacts necessitating particularly strong inter-personal skills. If you possess a high degree of numeracy, creative flair and

can show a depth of knowledge of today's financial markets, then please write to Robert Winter at MCP Conaultants enclosing your C.V. and quoting Ref; 2/496 or telephona 01-405 9000. MCP

Lawrence House 51 Grays Inn Road London WC1X 8PP

MERCHANT BANKING

SOLICITORS AND ACCOUNTANTS The Project Finance department of a leading City Merchant Bank has played a major role in capital projects worldwide, providing powerful financial modelling focilities. They seek a Solicitor and an Accountant, aged 25-28, with entrepreneurial flair and experience within a City firm.

Promotion will be rapid for the individual who is confident, articulate and capable of taking the initiative. Ideal for a positive thinker wishing to develop into a deal-making banker. Competitive salary and banking benefits including subsidised mortgage scheme.

For further information, please ring Sara Bonsey

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THE NEXT WAVE

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S.W. London, to £25K + car. Prospect of future equity share.

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We launched these techniques in 1985 and are currently implementing them for over a dozen international organisations, including one of the largest UK clearing banks and also the economy of a developing country.

We are now looking for PROJECT CONSULTANTS and TRAINEE CONSULTANTS to deal with all aspects of the client relationship, from initial meeting and discussion through to project proposal, acceptance, implementation and support. The work is extremely demanding and requires creativity and a very high level of personal drive

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PROJECT CONSULTANTS should have 4-5 years practical experience in areas such as strategic planning, acquisition analysis and financial monitoring. After training they can expect rapid promotion to SENIOR CONSULT-ANTS where they will be personally responsible for a number of major accounts.

be familiar with Head Office information and budgetary

be adept at the critical interpretation of management

be equipped with a practical multi-disciplinary

TRAINEE CONSULTANTS should have 2-3 years of

be aged 25-35 with a First/2.1 degree, or MBA.

The right candidates can expect to enjoy an exceptionally rapid career progression with the prospect of an equity share in our future expansion. If you feel that you score well against these criteria, please telephone Kirstie Harrison to ask for background information on Metapraxis. If this stimulates you to consider a career with us, then write to the Managing Director, Robert ttlestone, enclosing comprehensive career details, indicating which position is of interest, and explaining why your track record and personality should be of value to us.

Metapraxis Ltd., Hanover House, Coombe Road, Kingston, KT2 7AH Surrey. Tel. 01-541-1696



RECRUITMENT CONSULTANTS

35 New Broad Street, London EC2M 1NH Tel: 01-5883588or01-5883576 Telex No. 887374 Fax No. 01-6389216

Opportunity to head and build Fixed Interest team of rapidly expanding investment Management Group

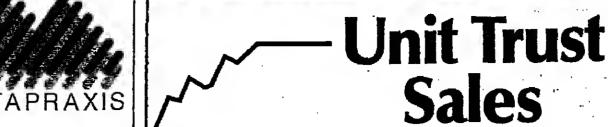


FIXED INTEREST FUNDS MANAGER

£30,000-£40,000+CAR INVESTMENT MANAGEMENT DIVISION OF MAJOR INTERNATIONAL BANK.

Success and plans for greater long term growth of the Investment Division result in the need to further strengthen Portfolio Management capability and expertise. For this new appointment we seek Honours Graduates with a mathematical bias, A.C.A.s or trained Actuaries, aged 26—30. We require not less than 3 years as an analyst with a financial organisation noted for its record in this field and at least 2 years in the management of significant international fixed interest portfolios. This silkely to have been gained as deputy in the F.I. discretionary fund management operations of a leading financial institution, insurance company or pension fund. Heporting to the Head of Investment, the successful candidate will be responsible for the monitoring of Eurobonds, Gilts and all major global fixed interest markets and for the direct management of the Division's fixed interest investments. The ability, as a specialist, to contribute significantly to overall investment policy, based inter-alia on an informed view of international economic and interest rate trends is essential. Analytical and presentation skills are vital together with the capacity to innovate and instil client confidence. Initial salary negotiable £30,000 – £40,000, car, mortgage facility, pension, life assurance, tamily medical insurance and assistance with relocation. Applications, in strict confidence, under reference FIM4403/FT to the Managing Director:

CAMPBELL-JOHRSTOR ASSOCIATES (MARAGEMENT RECRUITMENT CONSULTAITS) LINGTEB, 35 NEW BROAD STREET, LOUDON ECZIA 1 IEL., TELEPHONE: 01-588 3580 or 01-588 3576, TELEX: 887374. FAX: 01-638 9216.



The City and Manchester/Leeds

Fidelity International, one of the fastest growing unit trust management groups in the UK, is looking for a number of proven, experienced, sales executives to join both its highly successful insurance broker sales team based in the City, and to spearhead a new sales office being opened in the Manchester/Leeds area.

The positions entail selling Fidelity's full range of unit trusts and specially designed computerised investment management services to insurance brokers and financial advisers throughout the UK. A knowledge of the investment industry is essential, together with proven selling ability, an outgoing communicative personality and a dedicated commitment to both a high level of client service and professionalism.

Financial rewards will not only fully reflect the seniority of the positions advertised but also your own achievements and Fidelity's determination to be one of the key players in the unit trust industry over the next decade.

If you have the right career background and are between 25-45, start the next phase of your selling career by selling yourself to Fidelity International send a full cv to Les Hart, Fidelity international Management Limited, 25 Lovat Lane, London EC3R 8LL.



Appointment of Assistant Secretary

Applications are invited for the office of Assistant Secretary of the Society and comparable appointment in the Society's associated organisations. The duties compare to those of an assistant managing director of a company. Combined salary and fees will total not less than £24,000 per annum. In addition there are contributory pension benefits, Society car, and concessionary mortgage facilities. The administration office of the Society is based at

Leicester. Relocation expenses would be paid where necessary.

Applicants, who should be under 45 years of age, must possess professional qualifications of practical value in the business of a Friendly Society on the life branches of insurance. A background of accountancy, investment or marketing experience at executive level would be appropriate. Company secretary qualifications and experience are not of themselves sufficient for the position.

Written application, giving full particulars of age, marital status, professional qualifications and experience must reach the Society by 1st April 1986 under sealed cover addressed to:

The Chairman, Selection Committee,

Hearts of Oak Benefit Society,

129 Kingsway, London WC2B 6NF,
endorsed "PERSONAL - Assistant Secretary" in the top left corner.
The Selection Committee will choose a short list and the final selection will be made by the Delegate Board assembled for the Annual Meeting of the Society in the first week in June. All candidates, if selected, must be prepared to give an undertaking to attend this Annual Meeting. The Society is an equal opportunity employer.



Hearts of Oak Benefit Society

in association with LONDON ABERDEEN & NORTHERN MUTUAL ASSURANCE SOCIETY LIMITED and HEARTS OF OAK TRUSTEES LIMITED.

COMPUTER AUDITOR c.£20,000

An English-registered International Bank established in the City of London since 1919, recently moved to prestigious new freehold premises.

A new position within a small internal audit department, the job will include the introduction of C.A.A.T.s, and the monitoring and appraisal of new and existing systems.

The Requirements:

- Minimum 4 years auditing experience of which at least 2 years in computer audit, preferably gained in an established computer audit department.
- Conversant with computer audit techniques.
- Degree standard, preferably in a relevant subject. The successful applicant is likely to be an ACA or ACCA and to have bank audit experience (gained either internally or in the profession).

The Benefits:

up to £30,000 + car

legal accounting requirements.

Include staff mortgage and personal loans; non-contributory pension scheme; free medical insurance.

If you are interested in this position please send a comprehensive c.v. to: Joan Budgen, Personnel Manager, Moscow Narodny Bank Limited, 81 King William Street, London EC4P 4|S.

Financial Controller

The Milk Marketing Board is the dairy farmers' organisation for England and Wales and has a turnover in excess of £2000m p.a.

This new appointment reports to the Managing Director of Milk Marketing with a functional responsibility to the Group Finance Director. The successful candidate will be responsible for the overall control of financial management and services to all the

Milk Marketing Divisions, and as part of the senior management team, will help the business to develop within a sound financial framework. The Financial Controller will

also provide detailed accounts for consolidation, for the Board to meet its statutory and

Candidates should be qualified accountants with at least 10 years' experience in the management of all finance and accounting functions – ideally involving some exposure to the dairy industry. First class communication and man-management skills, and an understanding of modern data handling and business systems are essential.

need not re-apply.

Excellent benefits are those appropriate to a major company and include a car and relocation expenses where appropriate.

Please write with full details to: G. E. Annels, Personnel Manager, Milk Marketing Board, Thames Ditton, Surrey KT7 OEL.

This is a re-advertisement. Previous applicants

VENTURE CAPITAL IN THE SOUTH WEST



Dartington & Co Limited provides a range of merchant banking services to small and medium-sized companies in the South West of England. In 1984 it established Avon Enterprise Fund as an insti-tutionally-backed venture capital fund to invest sums from £25,000 upwards in new and growing companies in Avon and its surrounding

Avon Enterprise Fund has now grown to a point where it is necessary to recruit an ASSISTANT FUND MANAGER to work alongside the Fund Manager in all aspects of the business.
Candidates for the post of Assistant Fund Manager should ideally fulfil the following criteria:

 educated to degree level -recently qualified accountant or MBA - some experience of smaller company investigation work - able to work flexible hours under pressure with a minimum of supervision - age up to 30

Salary will be in the range of £12,500 to £15,000 plus car.

Candidates should write in strictest confidence to: D W R Johnstone, Managing Director, Dartington & Co Limited, Bush House, 72 Prince Street, Bristol BS1 4QD.



QUANTITATIVE INVESTMENT TECHNIQUES

Barings' Investment Group, which has over \$9 billion under management, is currently embarked on a programme to implement quantitative approaches to investment and has created a special team for this purpose. The approaches include screening techniques for equity selection, portfolio optimisation and risk analysis, and the development of a variety of passive and quasi-passive investment strategies. To handle these operations it has set up a Local Area Network of IBM Personal Computers.

These activities are rapidly expanding, and an additional team member is now sought. The successful candidate will be numerate, (although with a degree not necessarily in a mathematical subject) and will almost certainly be used to working with personal computers. He/she will probably have some experience in security investment, and would certainly be encouraged and expected to extend knowledge and understanding across the broad field of investment and would be given training to develop this. Salary will be a.a.e. and other benefits include mortgage subsidy, non-contributory

pension scheme and BUPA membership. Please send C.V.'s to: P. K. Woolley, Director. Baring Brothers & Co. Limited, 8 Bishopsgate, London EC2N 4AE

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We offer pleasent working conditions and a salery fully commencerate with age and experience.

Please apply by latter exclusions and accounts. Places apply by letter enclosing a c.v. to

BRISTOWS, COOKE & CARPMAEL 10 Lincoln's hm Fields, London WCZA 3EP Telephone: 01-242 0462 (Ref. 304/X)

SYNDICATE COORDINATOR

A leading international investment group requires a syndicate coordinator liaising with international offices, U.S. Syndicate Marketing and International Research Group, incumbent will be responsible for preparing reports on statistical data for Syndicate Marketing, appraising Account Executives of current Syndicate Marketing position, coordination and development of research support unit for assistance of research, sales and traders, and monitoring of technical and research opinions for Account Executives and Traders.

Applicants, agad 25-30, educated to degree standard with at least four years' experience (some of which should be gained in a U.S. environment) in equity trading and research, should write in strictest confidence, anclosing curriculum vitae, to Box. A.0066, financial Times, 10 Cannon Street, London EC4P 48Y.

OUR CLIENT, A REPUTABLE OVERSEAS TRADING COMPANY, ARE SEEKING AN EXPERIENCED, SELF-MOTIVATED

FUTURES TRADER

Candidates should have a sound track record in practical currency and/or commodity trading and in-depth knowledge of the Point and Figuremethod and their practical use in accordance with Sixten M. Oahman's books on the subject. Fluent Swedish or Norwegian is essential. Salary circa £20,000 plus profit share.

All replies in writing to Box A0063, Financial Times 10 Cannon Street, London ECAP 48Y

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A young, fast-growing U.S. telecommunications/entertainment
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Send resume to: INFORMATION NETWORK U.K. LIMITED
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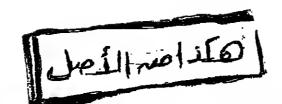
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GROFUND,

Unit Trust Sales

C £25,000 + EXCELLENT BENEFITS

We are a major international bank with investment funds under management now totalling £1.5 billion.

In order to develop further our UK unit trust business we are looking for two additional brokersales executives, to join Grofund Managers Ltd., part of our highly successful investment management division.

With sound investment background in established companies, in-depth knowledge of the unit trust market and a broad network of contacts in the financial intermediary sector, you will be expected to make an immediate contribution to the growth of GROFUND.

> Please telephone or write in confidence to: Anthony Fraher Director GROFUND MANAGERS LIMITED Pinners Hall 8-9 Austin Friars London EC2N 2AE Tel: 01-588 5317

> > 'ALLIED IRISH INVESTMENT BANK

CREDIT ANALYST

Package up to £15,000 + car. An excellent career opportunity in finance

Chartered Trust pic, one of the country's foremost finance houses, is a wholly owned subsidiary of Standard Chartered Bank, one of Britain's major international banks with assets exceeding £28,000 million. We have an excellent opportunity for a credit analyst at our Head Office in Cardiff.

Reporting to the Manager, Industrial & Commercial Credit, the successful candidate will be part of a small team responsible for-the detailed credit assessment of applications for corporate advances and credit

monitoring and review of existing major advances the assessment and analysis of major corporate customer trading markets assisting with the development of computer based credit monitoring and appraisal

assisting with the training of field staff in relation to the appraisal of corporate

financial information and the assessment of credit risk.

This challenging opportunity, which offers excellent prospects of promotion and ACCA or ACIS). A business related degree would be an advantage. A minimum of 2 years' relevant experience is required, ideally in a corporate financial appraisal capacity. Candidates must have a mature, self-assured approach coupled with an ability to liaise effectively with senior management. Regular visits to corporate customers throughout the United Kingdom are involved.

The competitive benefits package includes a training of the property to join a substituted manager at these and generous advance with relocation expenses, where appropriate. Cardiff offers an excellent choice of housing in one of the most attractive

parts of the country.
Please apply to: Mr. P. R. Symes, Training & Development Manager, Chartened Trust plc., 24/26, Newport Road, Cardiff. CF2 ISR. Tel. (0222) 484484, extension 2120.



Corporate Finance

ASSISTANT DIRECTORS AND MANAGERS

Lloyds Merchant Bank seeks to recruit additional support for its successful Corporate Finance team.

Our requirements are at Assistant Director and Manager levels, and we shall be pleased to receive applications from interested candidates.

Attractive remuneration packages will be offered, and will be based on seniority and experience.



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Lloyds Merchant Bank

Applicants should apply in writing, enclosing Curriculum Vitae to:-

R N Dowler Senior Assistant Director, Personnel Lloyds Merchant Bank Limited

40-66 Queen Victoria Street London EC4

MERCHANDISING OPPORTUNITY Rubber Division

Applications are invited from candidates having at least 5 years experience in natural rubber dealing/sales. They should be experienced in sourcing product from a variety of origins. They should also possess a sound understanding of foreign exchange and money markets. Proven ability to develop relationships with customers is a requirement.

The remuneration package will be commensurate with experience and ability, including a comprehensive benefits

The benefits package includes private medical cover, in-house catering, sports complex with swimming pool, exceptional office accommodation, well placed for tubes, bus and M4. Applicants should submit detailed curriculum vitae to:

> The Manager Human Resources Department Cargill UK Ltd 3 Shortlands London W6 8RT

All applications treated in the strictest confidence.





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We believe that the opportunities in tax with Arthur Andersen are exceptional. Why not see for yourself by spending time with us, talking to a cross-section of our team.

As a first step to an opportunity that's not just better, but better by far write to Faith Jenner Divisional Personnel Manager - Tax, Arthur Andersen & Co., 1 Surrey Street, London WC2R 2PS, or call heron 01-438 3517.

\RTHUR

Capital Markets Executive

You will work as part of a team responsible for developing the full spectrum of Capital Markets products in the highly competitive and complex environment of today's international marketplace.

In supporting the team's business development activity, you will undertake market and new product research; prepare proposals and client status reports; and work on the documentation associated with transactions. The opportunity for you to become directly involved in marketing will be available and you will also be given formal Capital Markets training.

Educated to degree level or equivalent, you should have 1-2 years' merchant or investment banking experience, preferably, though not essentially, in Capital Markets. You will also be highly numerate and creative, with excellent interpersonal and analytical skills. Career development prospects for the talented and ambitious are

A competitive remuneration package is offered reflecting experience and the level of appointment, Excellent benefits include mortgage subsidy, non-contributory pension scheme and family medical care.

Please write with full personal and career details to: Janice Caplan, Assistant Director, Personnel, Samuel Montagu & Co. Limited, 114 Old Broad Street, London EC2P 2HY.

SAMUEL MONTAGU

FUND MANAGEMENT

Samuel Montagu - a

International Capital

member of the Midland

Bank Group - is an

established and progressive

international merchant

Markets is a significant

growth area for the Group

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Director of Private Client Department

A long established Swiss fund management company is seeking a director to head up the private client department of its London office. Applicants should have a high leyel of experience in handling private client accounts with a stock broker or investment management company. He or she should have the ability to take responsibility for all aspects of stock lisison and marketing are important and candidates who have their own clients/funds under management will be particularly well positioned for this post. An attractive remuneration package will be riffered.

Applications in writing, together with a full Curriculum Vitae

should be submitted to the Company Adviser, Andrew Ramage, Streets Advertising Limited, 120-122 Seymour Place, London WIH 5DJ.

Please state clearly any companies to which you do not wish your application to

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SALESMAN

First-class Swiss financial institution seeks aquity salesmen for its Swiss brokerage services to UK, USA and other international institutions. Based in the City offices of a small but mpidly growing company, the successful applicant will be responsible for setting up and developing the business. He or she will probably be in the 25-35 age group and almady working for a first class international name. Knowledge of French and willingness to travel in a preroguisite.

Flease apply with confidential cv to Box 0000, Financial Times 10 Cannon St. London EC4P 48Y

STOCKBROKERS

CHARLES STANLEY & CO

Junior Dealer

and a

Senior Bluebutton

Ring Miss J. Hellingsworth on 638 5717 or STX 3535

CITY

120-122 Seymour Place, London W1H 5DJ Telephone: 01-723 7090

FOREIGN EXCHANGE DEALER

City bank, UK subsidiary of foreign bank, expanding its Dealing Room operations seeks Foreign Exchange Dealer, with at least three years' experience in active trading environment, with a view to managing profitably discretionary clients' accounts.

Age: 25-29 preferable Salary by negotiation with bonus potential All applications treated in strictest confidence Write Box A0062, Financial Times 10 Cannon Street, London EC4P 4BY

CAPITAL MARKETS

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Furnitureland Finance Director (Designate)

South London

c. £23,000 + Car + Share Option

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A Finance Director is required who will be responsible for all aspects of the company's financial affairs and for developing policies to meet future requirements. As a key senior management appointment, the role will also include company secretarial responsibilities, as well as advising on business and financial decisions and liaising with the company's external

The successful candidate will be a qualified chartered accountant, aged 28-35, with first-class technical

accounting ability and well-developed interpersonal and communication skills. Drive, self-confidence and a forward thinking approach are also

Please reply in confidence, enclosing career details and quoting reference 2615/L, to Anne Routledge, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.



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Director of Finance and Administration

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The Director of Finance and Administration will

c. £26,000

play a key role in the small management team. Reporting to the board through the MD, with secondary reporting responsibility to the Group Finance Director the successful candidate will provide + Car

accurate and meaningful financial information. A prime task will be the review and development of systems and controls in order to ensure the efficient operation

of both the finance and administrative functions. Constructive input to the operation of the company will

be expected.

Candidates should be qualified accountants in their mid 30's. A proven ability to develop and implement successful administration systems would be beneficial. Experience of a fast moving professional service is desirable, but the essential qualities are initiative, drive and the intellect to tackle a wide variety

of tasks.

Please reply in confidence, giving concise career, salary and personal details, quoting Ret. ER838 to Michael Fahey, Executive Selection.

Arthur Young Management Consultants, Polis House, 7 Rolls Buildings, Fetter Lane, London EC44 title.

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Central London

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companies in the group.

Providing technical support to the compliance group and participating in negotiations with

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A very competitive salary will be offered commensurate with experience, and a first-class benefits package includes generous relocation assistance where appropriate. Significant career

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Please send full cv, including details of current salary, in strict confidence, to Mary Gilfillan, Human Resources Department, Chevron Petroleum (UK) Limited, 93 Wigmore Street, London W1 9AA. Telephone: 01-487 8246.



Assistant Director Status

Management Information – Merchant Bank

c£23,000 + banking benefits + car

We are acting for one of the prime UK Merchant Banks seeking to recruit a Chartered Accountant for a high profile, autonomous role within their international

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Preferably a graduate, aged 26-32, the successful candidate must be a self starter with a Big 8 background and experience of banking and systems audit. Computer literacy, strong interpersonal skills and a creative, innovative approach are essential.

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FINANC

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Career prospects are only limited by personal performance and ability and the negotiable salary package will include generous banking benefits and car. Interested applicants should write to Geoffrey Rutland ACA, ATIL, Executive Division, enclosing a

comprehensive C.V., quoting ref. 305, at 39-41 Parker Street; London WC2B 5LH

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If you wish to discuss the post further, please telephone Rod Knowles, Chief Personnel Officer, on (0742) 734081.

City of Sheffield

OIL

COMPANY ANALYST

A state oil agency of a producing country requires a Company Analyst for the Petrolaum Products-Export Services Division based in London. The saccessful condidate must have: Especience in analysing all aspects of the finencial position and credit-worthmess of companies primarily angaged in the oil industry, is order to be able to prepare comprehensive and accurate reports of their hearcial attacting.

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It is excential that candidates applying for this position have a timely approach in the preparation and finalisation of the reports involved, are sait starters and can work ander presents to see that deadlines are

An attractive Asiary commensurate with qualifications and experience wio reflect very competitive levels within the oil adultry. There is ample scope for personal development and rewards are measured strictly in into with the working attribute and performance of the selected individual. Replies containing a full c.v. should be sent to:

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Finance and Administration Controller

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South Midlands

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On offer is a negotiable salary around the figure quoted, together with a range of executive benefits to be expected of a major group. Relocation assistance will be offered, in appropriate cases, to a very pleasant part of the rural South

Austin Knight have been retained to handle initial applications. Please telephone Barrie Witt on 021-455 6255 (office hours) or 06845 66477 (evenings) or write to him with full career history quoting ref LS 166 at Austin Knight Selection, Tricorn House, 51-53 Hagley Road, Birmingham B16 STP.

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Please write in confidence submitting a concise curriculum vitae and quoting reference 60 to:

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Financial Management **Publishing**

c. £25,000 + Car

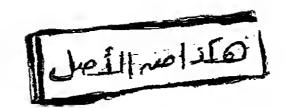
Established in 1981, our client is a specialist publishing and information organisation. With a turnover approaching £3 million the rapidly developing company is intending further expansion internationally both through acquisition and the introduction of additional products and

Acting as the financial support to the Managing Director, the successful applicant will be involved in all aspects of the business. Supervising a small department, including the computer function, he or she will be department, traculting the computer function, ne or she will be responsible for and develop management information, budgets and plans and will manage the company's resources. Projects will include acquisition evaluations worldwide and the position's responsibilities will necessitate close contact with the company's clients and advisers.

Aged 28-35, applicants should be qualified accountants, ideally with commercial experience. Please write, enclosing a careen/salary history and day-time telephone number to Richard Norman FCA quoting reference

EMA Management Personnel Ltd. Kingsway Chambers, 44-46 Kingsway, London WC28 6EN. Telephone: 01-242 7773 (24 hour).

الأمر الأمل



Financial Controller

London SE1

support of a small staff.

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c. £20,000+car

Our clients are well known, long established and privately controlled importers and wholesalers of fruit and vegetables, operating through Covent Garden and all the other main markets in the UK. They wish to strengthen the management team by recruiting a financial controller, to be based at their head office near London Bridge. Reporting to the managing director, the main tasks will include developing effective management information. systems, introducing budgets and cash control and developing fully integrated systems, which at present are only partly computerised. The role also covers all company secretarial and administrative responsibilities, with the

Applicants, preferably aged 30-35, must be qualified accountants with good experience in private companies, the maturity and determination to assume complete control of the finance function and the ability to make a constructive contribution to business growth. The long term future could be excellent for the right person. Please write in confidence, with full career details, quoting reference 6149/L to John W Hills, Executive Selection

Division, Peat, Marwick, Mitchell & Co.,

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London EC4V 3PD.

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Please write enclosing a full curriculum vitae to: Philip Cartwright F.C.M.A or Nigel Hopkins F.C.A,

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Our continued expansion has led us to create this new post which combines the administrative responsibilities of Partnership Secretary with the creative and leadership role of Director of Finance.

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We are looking for a qualified accountant with commercial line management experience involving both senior management participation and substantial staff direction. Energy and personality to deal authoritatively with partners on matters of partnership and financial policy are as important as the ability and inclination to achieve a detailed knowledge of the functions under your direction.

This is an exciting and challenging position which will appeal particularly to someone who has worked in industry but who enjoys the atmosphere and working relationship of a professional office. If you are interested in finding out more about the job please write to Paul Hipps, Managing Partner, 8 Baker Street, London WIM IDA with a brief CV.



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Management Consultants

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The Financial Controller reports to the Finance Director and has total responsibility for the day-to-day accounting, financial and administrative functions of the Group; this also involves regular contact with the management of subsidiary trading companies and liaison with the Group's professional advisors.

The successful candidate for this position must be an FCA or FCCA and have previous experience in a corporate finance role in a hi-tech manufacturing Group known for its procedures and controls. The probable age range is 35-40. This is a senior position in the Group and our Client seeks someone who can develop and grow to assume top level responsibilities in the relatively short term.

Please send full details, mentioning reference VX to:

West London

financial executive.

TRADER

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Finlay House, 140/142 High Street, Berkhamsted, Herts. HP4 3AT

This vacency is open to male and female applicants. No details will be pessed to our client without

Financial Controller

The Context: Our Client - operating within a highly-successful, anterprising British electronics Group - achieves a £20 million turnover through tha

export of manufactured goods to worldwide markets. An expansive business strategy has created the need for a commercially-oriented

The Position: The Financial Controller - reporting to the Chief Executive -will be intrinsically involved in the development of commarcial policy, particularly in relation to contracts, export practices, and the activities of foreign subsidiaries; he/she will also establish sound accounting practices and procedures, to be implemented by the small existing team.

The Candidates: Should be qualified accountants, aged between 30 and 40, with broad-ranging experience gained in an export anvironment. A sympathetic understanding of non-financial disciplines is essential.

Applications, please, quoting Ref; 220/1/FT, to: S.C. Mackay, Charles Barker Management Selection International Limited, 30 Farringdon Street, London, EC4A 4EA, Tel. 01-634 1143.

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to field sites, mainly in Europe, but also to further locations - including the Far East which will provide exposure to manufacturing environments.

Naturally, we are only interested in candidates who can show a considerable understanding of large company auditing, gained either with a major accounting practice or in a large company environment.

For a young, ambitious individual, career prospects both within Internal Audit and beyond are very bright indeed. A highly attractive remuneration package, is offered in return for this

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Candidates should apply in the first instance, with full career details, to Mr. Bhandari, Director, International Audit, Data General, 10 Maltravers Street, London WCZR 3EE



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Finance Director

Cheshire

This excellent opportunity is with a successful UK company, the largest subsidiary of a fast growing and dynamic British plc. The Group, with a turnover approaching. 2100m, has a strong international base.

The position will appeal to energetic graduate accountants in their mid 30's, who are capable of decisively influencing business strategies at Board level. The successful candidate will enjoy working with colleagues who are determined to profitably expand the consumer goods product range, which already boasts many well known brand leaders. Reporting to the UK Managing Director, responsibility will be for all financial and DP activities across several locations. A major development programme, centred on integrated manufacturing systems, is now being implemented to take the Company into its next stage of growth.

integrated manuracturing systems, is now seeing any and it is anticipated that its next stage of growth.

Career prospects within the Group are very good and it is anticipated that remureration will not be a limiting factor for the right candidate. The executive benefits package is first rate and relocation expenses will be paid where appropriate.

Candidates should send a detailed CV or request an application form on 0625 533364 (24 hours) quoting reference \$77/FT.

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Executive Selection | Management Development Springfield House, Water Lane, Wilmslow, Telephone: (0625) 532446. Cheshire SK9 5QS.

Due to outstanding growth, our client, a leading finance house, requires recently qualified ACA's to join its newly created corporate planning department. Principal responsibilities for these high profile roles will embrace departmental forecasts, short and long term plans, capital appraisal projects and systems development. Additional responsibilities include financial modelling on IBM micros, and special project reports. Prospects for ambitious accountants are excellent. Ref: SW. **NORTH LONDON**

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RETAIL

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This highly successful UK retail group continues to expand both organically and through acquisition. An outstanding opportunity exists for an exceptional young accountant at the centre of the group. Performing a mixture of analysis, control and project work you will be closely involved in group development. This high profile appointment offers exposure to top management and a recognised route to a controllership position. Ref. JG.

NORTH LONDON

ROMAN HOUSE, WOOD STREET, LONDON EC2Y 5BA. 01-638 5191

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HOLBORN

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To apply, please write with full personal and career details, quoting ref. FIN/00096/028, to: the Senior Personnel Officer [HQ Services], British Gas, 59 Bryanston Street, London WIA 2AZ.

Financial Executive

Manufacturing

The Company is the UK subsidiary of an international private group headed in New York and is one of the world's foremost producers and suppliers of metallurgical and chemical products. It has an impressive record of profitable growth and is supported by a strong international marketing

An opportunity is offered for an ambitious professional to make a major contribution to the financial management and administration of this Company. Initially reporting to the Finance Director, success could lead to a senior management appointment. Based in London, some time will be spent at the Yorkshire manufacturing site to gain knowledge of the accounting function.

Qualified candidates (probably Chartered Accountants), aged 28-40, should have sound experience of financial

c.£20000+bonus+car

management and demonstrable knowledge of legal matters. Personal qualities will include determination and enthusiasm together with a keen eye for detail.

Please reply, in handwriting, to Robert Mills in strict confidence with details of age, career and salary progression quoting reference 1562/FT on both envelope and letter.

Management Consultancy Division
P.O. Box 198, Hillgate House, 26 Old Bailey, London EC4M 7PL

Group Financial Director

to £40,000 + car West London Portsmouth & Sunderland Newspapers plc

This successful, forward-looking group, with a turnover oproaching 650m from a variety of publishing and related fields, is seeking an outstanding and experienced FCA to head its finance function. The post requires a strong background in corporate finance allied to expertise in financial planning and control with a creative approach to business development. Growth prospects are good. As a member of the small headquarters team, the Group Financial Director will work closely with the

Chief Executive and maintain close links with operating subsidiaries involving some UK travel. Candidates, preferably aged 35 to 40, must have a proven record of achievement in financial management, ideally gained in a group context. A media background would be an advantage but is not essential. Salary is negotiable with a car and appropriate executive benefits.

Please write sending brief cv, in confidence, to be the Greenegary Rect. A \$1,10735/ET. to Peter Greenaway, Ref: AA51/9735/FT.

PA Personnel Services

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Hyde Park House, 60s Knightsbridge, London SWIX 7LE Tel: 01-235 8060 Telex: 27874

Chief

£17-18.000

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- precious and non-ferrous metals for industrial use The nature of these quality products underline the importance of this role within the management team, and provide the opportunity to contribute directly to Company

Applicants aged 25-32 should be qualified (ACA, ACCA or ACMA) with good experience of both manual and computerised systems. There will be occasional visits to the Paris head office. Ability in French is useful, but not

Please write, in confidence, to Peter Lewis-Reference 501844 - or call 01-499 3705 (anytime) for an application form and further details.

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CONCREMENTS LIGHT MANYS TRACECURG FOLLOWS MILAND REPLICA ROMA SEMEZA

South Coast

An excellent opportunity arises for a qualified accountant who seeks the prospect of a progressive career within a dynamic lessure industry environment,

The successful candidate will report direct to the Financial Director, with responsibility for a small team whose key activities are in the production of detailed management information and the development of computerised costing systems.

Candidates, qualified ACMA/ACCA, probably aged 27-32 with 2/3 years post-qualification experience, should ideally possess expertise in the development of computer-based accounting systems within a disciplined management accounting

This key role also demands a flair for innovative problemsolving together with good interpersonal skills as close co-operation with other areas of the organisation is required.

Good career prospects for further advancement exist and an excellent salary package is negotiable. Please apply in writing to: Stephen Mawditt, Managing Director,

Executive Search Consultants



INTERNATIONAL FINANCIAL SERVICES GROUP

As a rapidly growing London-based organisation with subsidieries in New York and Geneva; we require a bright, smart and experienced Accountant (minimum 2 yeers post ACA/ACCA experience) to take responsibility for the financial control function from Payroll, Branch Accounting, and Multi-Currency Cash Management through to the financial planning and forecasting aspects of the whole group. All records are computerised. Some travel involved.

This represents an excellent and interesting opportunity to become en integral pert of a smell young dynamic menegement team. Remuneration is negotiable et e level which realistically reflects the responsibilities involved and the initiative required.

All replies with detailed CV please (which will be treated in strict confidence) to: Box A.0065, Financial Times 10 Cannon Street, London EC4P 48Y

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Finance Director

Edinburgh to £30,000 + car

Lothian Region Transport PLC has been established as a result of the 1985 Transport Act. The company will in due course take over the operation of Edinburgh's hus service, one of the largest municipal bus undertakings in the UK, with an anticipated turnover of £35 million.

Reporting to the Board, the Finance Director will be responsible for all accounting, control and financial planning activities. Key tasks will include treasury, funding, and the development of accounting systems. A positive and creative contribution to business development and the overall management of the enterprise will also be required.

Candidates will be qualified accountants, probably aged 35-45, with extensive management experience in a commercial environment. Particular expertise in financing and. capital appraisal is essential, as are sound analytical and nication skills.

Please send full personal and career details in confidence to James H Shaw, quoting reference 1569/FT on both envelope

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Management Consultancy Division

Group Financial Controller

c. £30.000

Leicester

The new and strongly entrepreneurial management style of Next pic encourages creativity, growth and profitability. Next ladies wear's success has been emutated by the mensivear chain and the rapidly

emutated by the menswear chain and the reputity growing retail credit company. The group's commitment to further expansion is illustrated by the launch of Next Interiors and the acquisition of a further 100 retail outlets. Reporting to the Group Finance Director, and as a key player in a new and vibrant financial management team, you will be fully responsible for the group Financial control and the functions. Second and group financial control and the functions. financial control and tax functions. Second and most importantly, you will also take an active part in the

forward financial planning of the group, both through the formal budget/plan cycle as well as in ad hoc

Arthur Young Executive Selection A MEMBER OF ARTHUR YOUNG INTERNATIONAL

investment/acquisition studies.
You will need to be a qualified accountant in your early 30s with a strong track record of several years' personal achievement, preferably in a highly commercial business environment, You should be able to communicate well at all levels, including the most

senior with the maturity and confidence to adapt quickly to a fast moving environment.

Please reply in confidence, giving concise career, personal and salary details, quoting Ref. ER841 to Sarah Orwin, Executive Selection.

Arthur Young Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

rinanciai Accountant with a real flair for business

Career development prospects c.£20,000 + generous benefits

Conspicuous success in your academic career and accountancy examinations will have convinced you of your worth. Now, having recently qualified or about to do so, you will be looking to prove yourself in a more demanding career environment. This is exactly what we can offer you at Dornay Foods, particularly if you are an ACMA or ACCA with two years' industrial experience pre- or post-qualification.

Domay Foods, part of the international Mars Group, manufactures and markets high-quality convenience foods. We are currently expanding our product range, and pursuing an aggressive growth policy: activities in which the financial function is playing a dynamic role.

This is an appointment within a group which offers levels of responsibility and reward way above the norm; where

functional, company or national boundaries. Your hard work plus our training will let you progress as quickly as your ability will allow. In return, we look for technical excellence, imagination and the ambition to succeed.

The starting salary will be around £20,000 per annum. In addition there is participation in a bonus plan and a comprehensive range of non-contributory benefits. This will include relocation assistance to an attractive, unspoilt East Anglian coastal area.

For an application form and further details about the company and the job, please write to or telephone: John Dawson, Personnel Manage Dornay Foods (Division of Mars UK Ltd), PO Box 15, Hansa Road, King's Lynn, Norfolk PE30 4IE. Tel: 0553 761200. We are an equal opportunity employer.

Dornay Foods

Finance Director Designate Leeds from £20,000 + car

Our client is a well established privately owned company. The company's rapid growth as suppliers to supermarkets of fast moving consumer goods has resulted in a healthy increase in market share and profitability.

A young and enthusiastic qualified accountant is required to strengthen a hardworking and aggressive management team committed to controlled and profitable growth. He, or she, will be responsible for the complete financial control of the business and the development of the company's new computer systems.

To be successful in this company you must:

- be a self starter, prepared to put in the effort necessary to gat the job done; - have the commercial flair to make a positive contribution to the development of the
- have solid experience of computer systems in an accounting environment:

- be able to communicate successfully with non financial management. This is a new post in a fast growing business and presents an ideal opportunity for an ambitious accountant to rise quickly to Board level.

If you are aged 28-35 with at least three years post qualification experience and fulfilable the above requirements, contact John Hampson at the address below quoting reference 2360.

Touche Ross The Business Partners



c£30,000 plus car West/North West Home Counties

This senior management post reports to the Finance Director of a British PLC with a worldwide reputation in its particular sphere of high technology. The group operates through several divisions whose activities incorporate the

development, manufacture, and international marketing and distribution of a broad product range. It is expected to expand from its present turnover of cf100m by organic growth and acquisition.

The Group Controller directs and co-ordinates financial planning and reporting throughout the operations, and provides senior management and the Board with the financial information – together with detailed analysis, evaluation and commentary - required for operational control and strategic development.

The requirement is a CA, aged mid 30s/early 40s, with a substantial financial and management accounting background and current experience as a senior finance manager - ideally at corporate level - in a large, well-structured and tightly controlled organisation.

Salary c£30,000. Car. Share option schemes. Please write in strict confidence with full personal and career details, quoting ref

Philip Smith

Manpower Consultants 85-87 Jermyn Street, London SW1Y 6JD

Financial Controller

Yorkshire

c£20,000 + Benefits + Car **Excellent promotion prospects**

Our client, the largest overseas subsidiary of a major US group, manufactures and markets high quality Cut client, the largest overlesses substitutely of a major of group, manufactures and manuscs high quality branded and consumer durable products. Factories and sales organisations are operated throughout the UK and Europe. Many of the Company's products are market leaders and the brand is a household

The largest manufacturing units are in Yorkshire and show a history of profitable growth and

The Financial Controller will assume immediate responsibility for the Management Accounting function and for providing overall guidance on compliance with statutory reporting requirements. Candidates, who must be capable of contributing to the development of computer based systems, should: be qualified accountants, probably aged between 30 and 40

desirably possess a degree or equivalent qualification

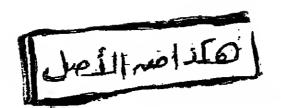
 hold senior financial management responsibilities in a lively, medium sized manufacturing have proven success in the application of financial, profit planning and cost control techniques and of the development of computer based business systems

 be an able manager, systematic and decisive Career opportunities: Significant promotion within one to two years is a distinct possibility. Generous salary and benefits package includes excellent relocation allowance where applicable, initial meetings will be arranged locally, possibly outside office hours. Telephone John Hearn for a brief discussion, or write to this address:

Hearn Healy & Partners

Management & Recruitment Consultants
Westmorland House, 127 Regent Street, Landon WR 7HA. Set: 01-734 6267

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HongkongBank (X)

COMPUTER AUDIT MANAGEMENT INTERNATIONAL BANKING-HONG KONG

C. £24,000 per annum tax-paid plus expatriate benefits.

Hongkong Bank, one of the world's leading international banks, requires an experienced executive to fill the position of Assistant Manager Computer Audit in its Hong Kong Head Office.

This is an exceptional career opportunity with responsibilities covering the audit of the Group's EDP systems and installations throughout the world.

Advanced and progressive systems in use and under development, including electronic banking and global telecommunications network, provide a challenging working environment. Principal functions of the Computer Audit Division are as follows:

 Monitoring of systems under development and advising on control implications. Auditing installations and systems. Development of audit software and integrated audit programmes.

The Assistant Manager will be involved in the day to day running of the division, will manage complex audit assignments and systems reviews which could involve up to 25% travel overseas mainly in the Asia Pacific region.

Candidates should demonstrate a high level of technical expertise as well as having well developed audit skills. Knowledge of banking applications will be a distinct advantage as will familiarity with IBM mainframe and mini computers.

The preferred candidate is likely to be a qualified chartered accountant, or else have a background in computer audit, management consultancy or system design with a proven track record. Essential personal qualities include excellent communication skills, management ability and a capacity to generate innovative ideas.

Conditions of service are excellent. In addition to the tax-paid salary indicated benefits include free fully furnished accommodation, a housing loan, six weeks' annual leave with a generous travel package, children's education allowance, holiday passages and end of contract gratuity.

There will be an initial two year contract which may be converted to permanent employment by mutual agreement. For further information please write to Malcolm Edgell FCA or Carol Saunders at our London address enclosing a cv and quoting reference 6058.

410 Strand, London WC2R ONS. Tel: 01-836 9501 16 Strand, London WCZR ONS. Left 01-836 9501 163a Bath Street, Glasgow G2 4SQ. Tel: 041-226 3101 India Buildings, Water Street, Liverpool L2 ORA. Tel: 051-227 1412 113/115 George Street, Edinburgh EH2 4IN, Tel: 031-225 7744 Brook House, 77 Fountain Street



Financial Controller

International Construction

London Based

assisted by a team of qualified

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 $(+)_{N} \in \mathbb{N}^{N \times N}$

accountants. There will be periodic visits overseas.

· Please send full career

£20.000+

orientated building and tivil engineering company with extensive activities in the developing world. The complexity of Head Office accounting due to multi-currency transactions provides a stimulating challenge. This is an excellent chance for career We seek a professionally qualified accountant with management ability who has had several years experience in the contracting industry, preferably in an international development into wider management areas in a growing in the contracting incustry, presently in an international environment. Recent experience using mini-computers would be very beneficial, as the development of effective company, itself part of a much larger and expanding international group whose turnover now exceeds \$400M. Salary negotiable from £20,000. The full range of benefits includes car, non-contributory pension and PPP.

systems will be a primary objective.

He/she will be responsible to the Finance Director for monitoring the performance of overseas subsidiaries and the controlling of day to day accounting at Head Office,

... This is a new position with a profitable growth.

Roland Orr

details, quoting reference M2561 in confidence to John Stirling. & Partners

Management Consultants 12 New Burlington Street, London W1X 1FE Telephone 01-439 6083

Financial Managers

City

Salary Negotiable

We are a major American Security and Commodity Dealer with ten sales offices throughout Europe and the Far East. We are seeking two Chartered Accountants who are self-starters and eager to develop a career in the Security/Commodity Industry Both positions are at the managerial level reporting directly to the International Controller.

Manager - Sales Offices

Responsibilities: Financial reporting of all offices outside London, including legal entity and local tax. Developing control programmes and project analysis. 25% Travel.

Qualifications: ACA with 3-5 years experience at professional level.

Manager - Commodity Division

Responsibilities: Departmental reporting by product, managing experienced staff and working closely with Managing Director of division and corporate headquarters. Qualifications: ACA with 3-5 years experience in

a Commodity/Futures environment.

Both positions require a self-starter who can work with minimum supervision. We offer an attractive benefits programme to meet the needs of a professional.

Please reply enclosing curriculum vitae, stating present salary and salary requirements to: Mrs Elizabeth Bell, Personnel Department, Dean Witter Reynolds, 56 Leadenhall Street, London EC3A 2BH. All responses will be treated in the strictest confidence.

DEAN WITTER REYNOLDS INC.



Hi-Tech Career Role For Young Financial Accountant

FINANCIAL MANAGEMENT -**EUROPEAN HO**

West London, near M4 £18-20,000 + car + share purchase

This major US Group designs, manufactures and markets systems for the office automation market-place and is one of the world leaders in its field, its further successful and profitable growth is linked to a commitment to improved customer services well as to continued substantial investment in new product development.

As a key member of the European Headquarters finance team, reporting to the Manager of European Finance & Planning, you will take full responsibility for managing the complex operation of providing financial and management information covering all aspects of their European activities. You will gain an in-depth understanding of the business, which you will apply to the initiation and development of new computerised accounting and reporting systems to meet the continually changing demands of European and subsidiary management. Additionally

you will be responsible for the accounting and financial control of the European HQ activities supported by a small staff, as well as undertaking a variety of other analytical and project related

This is an excellent first management role for an ambitious quelified accountant, ideally aged 25-30, whose post-qualification experience may have included exposure to com-puterised accounting systems and US accounting practices possibly gained in internal Audit, Group Accounting or in a major professional firm, and will lead, after 18-24 months, to further career development within either the Euro, HQ or a European subsidiary,
For a detailed and confidential discussion call John Bowman
or Neil Wax on 01-387 5400 (out of hours 01-670 7884)

EXPORT COSTING AND PRICING ADVISER FOR INDUSTRIAL PRODUCTS:
SIX MONTHS, CYPRUS

EXPERT ON COSTING AND PRICING FOR EXPORT: SIX MONTHS, MALAYSIA

Cyprus:
Visit manufacturing units and investigate pricing and costing methodologies and suggest improvements. Give lectures and seminars for groups of manufacturers and distribute written guidelines. On the basis of findings recommend new markeds of exports costing and pricing.

methods of exports costing and pricing.

Appropriate academic or professional qualifications with

Study local economy, business structure, and operations and problems of selected companies. Conduct clinic sessions for selected companies to assist them in developing and implementing effective product pricing strategies for particular markets. Conduct training seminars in cost

accounting and pricing strategy for owners, managers and staff of export-oriented enterprises.

Certified accountant specialising in cost accounting with some knowledge of export costings, and experience of undertaking similar assignments.

considerable experience in costing and pricing.

Commonwealth Secretariat (Commonwealth Fund for Technical Co-operation)

FINANCIAL SELECTION SERVICES

DRAYTON HOUSE, GORDON STREET, BLOOMSBURY, LONDON WC1H OAN TELEPHONE: 01-387 5400

Seeks candidates for:

ACCOUNTANCY APPOINTMENTS appear every THURSDAY

Central London

INBUCON

Company Accountant

Sussex

c. £20,000 Plus car

Our client is a wholly-owned subsidiary printing company of a well known and long established international organisation. They have heavily invested in modern plant, new technology and training and are now poised for significant growth by improved asset utilisation and profitably expanding their printing and associated services into

They wish to appoint an experienced, commercially aware, qualified accountant to fill this new position as the Company Accountant. In heading up the financial management team this role will provide a prime support function to the Managing Director and entail considerable involvement in the commercial management of the business.

Responsibilities will cover all the standard financial and management accounting activities of a medium size company. In short, a very varied and challenging oppor-tunity with prospects, and in an attractive location. Preferred age for candidates will

In addition to salary the benefits package includes company car, contributory pension scheme and assistance with relocation where necessary. Please write with full career details quoting reference 4132 to A.G.N. Burden:

INBUCON MANAGEMENT CONSULTANTS LIMITED Executive Search and Selection, Knightsbridge House, 197 Knightsbridge, London SW7 1RN



CANDIDATE PROFILE: An ACA or ACMA, able to work under pressure, lead a team, and communicate effectively at all levels.

> Executive. Applications in strict confidence to Brian G Luxton, under ref 6840

c.£20.000 + car

PROSPECTS: Potential successor to the position of Group Financial

Group Accountant

for a multi-national electronics Group

RESPONSIBILITY: As Deputy to the Group Financial Executive for all Head Office accounting functions and assisting in the Financial Control of

ESSENTIAL EXPERIENCE: A detailed knowledge and experience of consolidation of accounts using micro-computers (both setting up and running) in a multi-currency multi-location Group. Also experience in the evaluation and control of subsidiaries, acquisitions and disposals, and a sound

Mervyn Hughes Alexandre Tic (international) ltd.

knowledge of taxation.



37 Golden Square, London W1R 4AN. **27** 01-434 4091

FINANCIAL CONTROLLER! (Retailing)

West Yorkshire

to £25,000 + car + relocation

Our client is a well established superstore mailer whose growth to date has been enviable. The company has ambitious plans for the future and is pasted of its committed management

In order to further advance the efficiency and effectiveness of the accomming operation, an emergetic FINANCIAL CONTROLLER is required to accept total responsibility for the accounting and administrative functions which are currently being developed by the installation of advanced computerised systems.

The successful candidate is likely to be a Chartered Accountant aged 28 to 35 who has liad a successful caneer record to date and a minimum of two years commercial experience outside of the profession with a major retailing/distribution industry.

Personal qualities must include strong management skills combined with the enthusiasm m present and interpret a substantial volume of accounting information to strict deadlines. An ability to communicate effectively at every level is an important pre-requisite.

The career rewards will be well above average as will the commencing salary and benefits package. Full relocation costs will be met in appropriate circumstances.

Please apply in the first instance to Brian Daniels, (Managing Director), Daniels Bates

Partnership Ltd., Leeds office, Tel: (0532) 461671 quoting ref. 86/1929 FT.

Daniels

Daniels Bates Partnership Led., Josephs Well, Fisnover Walk, Park Lane, Leeds LSS JAB. 12:: (8532) 461671 (6 lines 24 hours). Also at: Fountain Precinct, Leopold Street Wing, Sheffield SI 2022. Tel: (0742) 754015

PROFESSIONAL RECRUITMENT

Weekly fee in the region of £500 plus daily subsistence/housing allowance. Economy class air fares.
Full details and application form from:— Recruitment Section Commonwealth Secretariat
Marborough Home, Pall Mall, London SWIY 5HX
Telephone: 81-839 3411 Ext. 8151

FINANCIAL APPOINTMENTS

CONSOLIDATION WIZARD c£18,000 + car

Report to Chief Accountant and take primary role in UK group consolidation of 50 Companies with T/O of £1.8 B. Involvement in corporate structure manoauvres, movements of group reserves and reports to debentures trustees. Wide exposure to management reporting, budgets and tax planning arrangements. Abundant opportunities throughout this international group if you are qualified with big eight end some commercial experience. Age mid 20's.

SKY HIGH PROSPECTS to £17,000

Run finance department of communications division of major national company with rocketing profits and prospects to match. Cut your teeth in financial, and then plenty of moves to management side — you'll be qualified, technologically aware and with an astute business sense. Age 20's. Area EC1.

70 Old Broad Street, London EC2M 1QS Love+Tate Appointments=

FINANCE DIRECTOR DESIGNATE ADVERTISING

Our client, a West End based, established and independent advertising agency in the middle range of annual billings, is embarking upon a programme of re-organisation and expansion. Building upon an international reputation for creativity and flair, there will be a challenging and intensive period of investigation into acquisitions and mergers, as well as organic growth.

The ideal candidate will be an ACA or ACMA, in the late twenties or early thirties, with a strong personality and the communication and professional skills effectively to deputise for the Managing Director on all financial and administrative affairs. Whilst experience of the industry is not important, a proven track record of firmly but diplomatically imposing mechanised control and information. procedures is essential.

Full details of education, career to date and salary progression, along with a recent photograph, should be sent to:

Bowden Gow Associates

Management Consultants 10 Tonbridge Chambers, Pembury Road, Tonbridge, Kent TN9 2HZ

Financial Controller

North West

Our client is a highly successful, autonomous unit within a division of a major electronics group, involved in the design, manufacture and marketing of high technology communications equipment.

A Financial Controller is required to take full responsibility for the financial management of this operation via a department of 20 staff. Emphasis will be placed on strong commercial input allied to sound financial and cost control, as the successful candidate will be an integral member of a small executive team. Prospects for continued advancement within the group are excellent.

Applicants, aged 30-35, should be qualified accountants who have demonstrated achievement in their career to date. Whilst technical ability is obviously important, self motivation, coupled with strong communicative and managerial skills are essential.

c £22,000 + car

Relocation costs will be reimbursed if appropriate. Interested applicants should write, enclosing current c.v., quoting ref. 7032, to: Barry Ollier, ACA, at

Michael Page Partnership, Clarendon House, 81 Mosley Street, Manchester M2 3LQ. Tel. 061-228 0396.

Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels NewYork Sydney A member of the Addison Page PLC group

CHIEF ACCOUNTANT

W. LONDON

to £28,000 + Car + Share Options

Credit & Commerce Life is an established unit linked life assurance company with funds under management in excess of £70m and a substantial capital base. Under its new dynamic management team the Company is undergoing a period of rapid expansion and is currently one of the fastest grow-ing life assurance companies in the UK.

The Chief Accountant will be a member of the senior management. Reporting to the Financial Director, the successful applicant will be responsible for the entire accounting function of the Company including setting accounting policies, forecasts, budgets and management information, statutory accounts and DTI returns, taxation, and accounting systems.

Applications are invited from graduate qualified accountants aged under 40 who have financial and/ or management accounting experience within an insurance environment. The ability to communicate effectively is essential for this senior position.

The remuneration package will include a salary up to £28,000, a company car, share options, BUPA, group life cover, and relocation expenses where appropriate.

Please write with full C.V. to:

Geoff Ross, Financial Director & Actuary Credit & Commerce Life Assurance Ltd 74 Shepherds Bush Green LONDON W12 8SD



FINANCIAL DIRECTOR DESIGNATE

Salary c. £30,000 plus

We are a Holding Company with successful operating subsidiaries. The development of the Group through an acquisition programme will be supported by an application for a Full Listing.

The successful applicant will report directly to, and work closely with, the main hoard, will be responsible for maintaining full control over the financial accounting and administrative functions, and must be able to co-ordinate with the Directors to plan for, and implement, the strategy

The candidate will be a qualified accountant, preferably FCA over the age of 30 years, who looks for a demanding position which will use to the full bis knowledge of financial controls, computing and taxation matters.

Interested applicants should write with a full curriculum vitae, in confidence, to:

The Directors TRAVERWAY HOLDINGS LIMITED Traverway House, 398 Seven Sisters Road London N4 2LX

NEWLY QUALIFIED

ACCOUNTANCY APPOINTMENTS

Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations. We propose to publish the list in our issue of Thursday, March 6, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments." The advertising rate will be £41.00 per single column centimetre. Special positions are available by arrangement at premium rates of £49.00 per sec.

Newly qualified Chartered Accountants are never easy to recruit - do not miss this opportunity. We will also be including in this feature a

GUIDE TO RECRUITMENT CONSULTANTS

and entries in the Guide will be charged at £60.00 which will include company name, address and telephone number.

> For further details, please telephone: LOUISE HUNTER on 01-248 4864 or TREVOR PUNT on 01-236 9763

FINANCIALTIMES **EUROPE'S BUSINESS NEWSPAPER**

ACCOUNTANCY APPOINTMENTS appear every THURSDAY

Rate £41.00 per single column centimetre plus VAT

For further information call: LOUISE HUNTER 01-248 4864

Internal **Audit Supervisor**

A wider finance role on a European scale

Ford seek a professional Internal Audit Supervisor, who is looking for a broader finance role with the automotive industry, to join our European Audit Operations Department based in Brentwood, Essex

The successful applicant will lead one of the teams engaged in a programme of accounting and internal control audits. The wide variety of work will relate to most financial aspects of Ford's activities in the UK and other European countries.

It will be your responsibility to play an active role in our challenging environment, adapting to a fast-moving, highly competitive international business. This will call for the ability to operate efficiently under pressure and exercise your communication skills with colleagues within the finance function as well as senior Ford

Our need is for a successful man or woman

aged 25-35, holding a good finance degree or equivalent with a professional accounting qualification. We'll expect you to have at least 3 years' auditing experience gained either in industry, private practice or a large accounting firm. There you will have acquired a sound knowledge of auditing procedures including those required for mechanised systems. Some supervisory experience will be an advantage.

Prospects for advancement within the company are significant. We offer an initial salary

of up to £17,000 pa depending on experience, plus Ford's management lease car and the outstanding Ford benefits package, which includes relocation

assistance where appropriate.

Please write or telephone for further details
to Miss V. M. Leigh, Room 1/578,
Ford Motor Company Limited, Eagle Way, Warley,
Brentwood, Essex CM13 3BW, Tel: (0277) 252309.



Chief Accountant

DYNAMIC HIGH TECHNOLOGY ENVIRONMENT

c£18K + car and large company benefits West Sussex

COMPANY: Part of a major British group which is a world leader in the design and manufacture of high technology products. The company has a turnover in excess of £50M, a record order book, and is poised for substantial.

RESPONSIBILITY: Reporting to the Financial Controller, involvement will include cost control programmes, systems development, group cash management and foreign exchange dealings, in addition to the financial

CANDIDATE PROFILE: A young, ambitious and imaginative ACA or ACMA, with some industrial background and knowledge of computerised systems, able to integrate within a high calibre multi-discipline team. Candidates from public practice with extensive industrial audit experience

PROSPECTS: The position arises due to internal promotion. Excellent prospects exist dependent upon performance. Applications in strict confidence to Brian G. Luxton under ref: 6818.

Morvyn Hughes

(International) Ltd.

37 Golden Square, London WIR 4AN. 7 01-434 4091

GROUP FINANCIAL CONTROLLER

Caradon Limited

London

Alexandre Tic

known names like Mira and Twyford bathrooms, has an annual turnover of over £150 million and consists of 15

operating companies.

Reporting to the Finance Director, this position is crucial to the effectiveness of a small group of professional headquarters staff Working with the financial heads of the operating companies, the job holder has responsibility for the total man-agement accounting activity and a wide variety of other financial matters. There will be a high level of contact with external advisers.

You will be qualified and unlikely to be less than 30. Your manufacturing knowledge

c.£27.000 + executive car

This newly-created building products and plastics company, whose range includes well-capability of supervising the treasury activity and all project accounting, including capital investment and business planning. It is essential that you are able to work on an equal footing with senior operational management. In addition, you will be interested in determining the corporate requirement for data processing equipment. Your personal strengths will include a high level of initiative and ambition and you will be happy in an expansive business and incial covironment.

Please write to Keith McNeish (quoting reference 547) showing how you meet the above criteria and enclosing a copy of your curriculum vitae.

сс&р

CC & Pinternational Limited 26/28 Bedford Row, London WC1R 4HB

FINANCE DIRECTOR - PUBLISHING

Central London

Salary circa £25k+Car,

Bonus & Share Options

Our client is a major Publishing Group of Companies with international interests. A qualified accountant is required to head up the financial function of the Publishing Divisions. Preference will be given to candidates in their early 30's who have had experience in the service or consumer industries. Responsibilities will include the development of existing accounting and reporting systems and the improvement of financial controls. He or she will have active involvement with senior management in the strategic planning of the Division's activities. There will be occasional travel within the U.K. It is essential that candidates should be commercially orientated, have a positive attitude and be good communicators. The remuneration package will include membership of a non-contributory pension scheme, life assurance and free private health cover.

Please reply in confidence quoting reference FD/51 to: Norman Rayner Associates Ltd., 2 The Nelson Rooms, 68 High Street, Weybridge, Surrey KT15 8BL Tel: Weybridge (0932) 59482 (24 hours).

NORMAN RAYNER ASSOCIATES LIMITED **Executive Recruitment Consultants**

Project Accountant

Account for Success

Total Oil Manne's Alwyn North field represents a significant new source of both oil and gas for the future. Now in its development phase, production is scheduled for late 1987 when it will become a major contributor to Britain's energy resources. This is an excellent opportunity to be involved in a ar new operau

The development of Alwyn North presents new challenges for the accounting function – and new opportunities. We are therefore looking for a Project Accountant with the ability to meet those challenges

and take advantage of the opportunities. You will lead a small team responsible for the accounting and financial reporting of Alwyn North activities. Not only will you be using the latest in computerised accounting systems, from micros to mainframes, you will also have a significant part to play in setting them up. You will also find yourself involved in budgeting, tax planning, funding and projects other than Alwyn North, as

they arise.
You are a qualified Accountant, probably in your late twenties, with a sound knowledge of project accounting. You may be familiar with financial modelling in a computerised environment. And you are ambitious. If you have something you want - and usually you do - you are not afraid to say it.
If you think this sounds like you, we

Burers

want to hear from you. We are looking for someone special; this will be reflected in the benefits package which includes BUPA membership, pension and life assurance schemes, subsidised staff restaurant and generous relocation assistance where appropriate.

For an application form, please telephone or write to. Isabel Doverty, Head of Recruitment, Total Oil Marine pic Crawpeel Road, Altens, Aberdeen AB9 ZAG. Tel: (0224) 858172.



Newly Qualified Opportunity ASSISTANT COMPANY ACCOUNTANT

Morland Brewery, Abingdon

c £13,500 + car

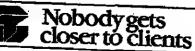
This new position offers an ideal opportunity to enter the brewing business in particular and the growing leisure sector in general. Reporting to the Company Secretary and created to enable him to examine opportunities for investment and expansion in greater depth, the position will be of interest to newly qualified ACA/ICMA/ACCA's eager to take on responsibility for the accounting resource within this £16M

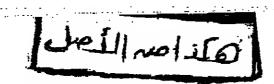
In addition to the production of accounts, financial reports and monthly performance returns and encouraging the use of financial advice in all departments, the job will involve managing and motivating the 18 staff involved.

Our requirement is for a good all-round knowledge of the workings of the finance function in industry and for an energetic and enthusiastic personality to integrate into the management team. Knowledge of the brewing sector would be advantageous and an expertise in the field of micro technology will be particularly beneficial.

The post carries an attractive benefits package including a company car, free BUPA cover and relocation assistance is available in appropriate circumstances. For a full job description, please send full CV including current salary to Graham Warby, Personnel Manager, West Way House, Elms Parade, Oxford OX2 91.1.

Grant Thornton CHARTERED ACCOUNTANTS







Productivity gains put Peugeot back in profit

a result of a larger than expected to reduce its production break-even improvement in group productivity point from 2.2m cars a year four

Mr Jacques Calvet, the chairman and architect of the Peugeot recovery, said that the group's overall productivity had improved by 8.5 per cent last year. This is higher than the group's earlier target of achieving 6.7 per cent a year productivity price.

The Peugeot chairman said the better than expected productivity gains last year reflected the group's ability to reduce its workforce by a little more than 6 per cent coupled with a 3-4 per cent increase in sales

Mr Calvet wants to bring down ket totals about 600,000 registrate the Citroen marque. The subsidiary the group's break-even point to tions a year, of which Pengeot curhad shown major improvements, altern to three pages of the care of the continued to lose the care of th two to three years in order to cent

BY LAURA RAUN IN AMSTERDAM

company, said its profits fell 17 per cent to Fl 919m (\$363m) in 1985 on sharply lower sales and earnings in

the US of integrated circuits and

audio-video equipment. An un-changed dividend of Fl 2 a share

The profit fall, which Philips had

predicted, was due to the *consider-

able decline" at the Signetics chip

subsidiary in the US and North

falling prices resulting from over-

In contrast to the US, earnings in Europe improved. The operating in-come growth in consumer electron-

was declared.

PHILIPS, tha Dutch electronics overall sales growth.

PEUGEOT, the French private car group, will show a small profit in geot group, which is still weighed from a visit to the US, said that the 1985 after accumulating losses of down by debts totalling about FFr about FFr 9bn (\$1.3hn) since 1980 as 33bn. Peugeot has already managed strongly our penetration in the US. years ago to 1.5m-1.6m cars last

> At the same time, Mr Calvet has where Peugeot recently appointed a bes of cars. new chief operating officer, Mr Pas-

hixury imports market. This mar-

Philips' earnings fall 17% in

Sales rose 12 per cent to FI 60bn,

although almost half thet was

attributed to the forced consolida-

tion of Polygram after Philips failed

American Philips consumer electronics. Signetics suffered from the industry-wide shump in chips, while consumer electronics were burt by gram had to be consolidated for le-wards that goal.

gal reasons after no willing buyer

come growth in consumer electronagain expected volume sales to excent at the end of 1984 from nearly
ics offset the drop in the US, but pand 7 per cent the same as in 1985. 29 per cent a year earlier. In his

wake of US sales downturn

The Peugeot chairman also ex plained that the group intended to bring out a new car model each nate between the group's Automoindicated that he wants to see Peuseet expand its sales in nonCitroen division, each bringing out currently making a renewed effort Calvet added thet the strategy was to boost sales in the US market, where Peusent recently and the strategy was

Citmen is due to launch a new small car on the French market this The French group at present sells autumn which will enter the rest of only 15,000 and 20,000 cars a year in the European market early next the rest of the European market early next the 1985 had been a difficult year for

ry closures and other restructuring last year to Fl 344m from Fl 725m in

1984. Much of the restructuring has been in the audio-video division,

which is expected to remain in the

tire as president in April, has long

wards that goal.

The plummeting dollar, while putting pressure on sales, helped

Ruiz-Mateos lays foundations for a new Rumasa

BY DAVID WHITE IN MADRID

MR JOSE MARIA RUIZ-MATEOS, ty." (The Government's action the Spanish businessman, is plot-against the diversified Rumasa the Spanish businessman, is plot-ting his comeback, undeterred by the fact that he has yet to face trial. While pre-trial investigations continue into allegations of phony ac-counts at Rumasa, the conglomerate he ran up to three years ago, he has set up e new company in the US

and plans one in Spain to re-create

the empire that was seized by the

Spanish Government The proposed new ventures will have one major difference from the old Rumasa, however. Instead of being in the bands of Mr Ruiz-Mateos and his brothers and sister, as Rumasa was, shareholdings are to be widely distributed.

This, says Mr Arthur Teele, his American lawyer, will lead to "a dif-ferent level of public accountabili-

group in February 1983 was pro-voked by its failure to gain access to

The moves come as Mr Ruiz Mateos, whom Spain extradited from West Germany last November, is locked in legal tussles in the UK to recover overseas assets which the Spanish authorities claim belonged to Rumasa. The first is a High Court action

over who owns the exclusive world rights to the brand name of Dry Sack sherry. The aim of the new US venture is to regain the distribution rights for Dry Sack in the US and

Mr Ruiz-Mateos transferred the specially created Jersey company, fering Mr Ruiz-Mateos had not so pesetas in a short period.

licensing it back to the company far invested in the company, as he that supplies Dry Sack, Williams & would need Spanish Government Humbert. Williams & Humbert is permission to do so. one of the last companies of the former Rumasa group which the Span-

The Spanish authorities seek annulment of the agreement under which the name was transferred to Mr Ruiz-Mateos' company, W & H Trademarks (Jersey). A clause in the agreement cancelled the licensing deal in the event of Williams & Humbert ever being nationalised.

If the new company, W & H Trademarks (Delaware), succeeded in this bid, it would buy other existing drinks labels in the US, Mr Mr Ruiz-Mateos transferred the Teele said. It was hoped to raise be-trademark almost 10 years ago to a tween \$5m and \$20m in a public of he could muster several billion

permission to do so.
"This is not the new Rumasa." Mr

Teele said. "But we like to think this is the engine we will put on the track to begin the new Rumasa.

The proposed Spanish venture, which would not be set up until after legal proceedings are over, would also begin in the sherry business and branch out into e range of

activities similar to the old Ruma-

sa's - retailing, banking, manufac-

turing and hotels. Chief executive would he Mr Ru-iz-Mateos although he would have only a symbolic shareholding. Mr Ruiz-Mateos said that on the basis



Jose Maria Ruiz-Mateos: plotting a

KHD sales

down at

year-end

By Rupert Comwell in Bonn

KLÖCKNER - Humboldt - Deutz

(KHD), the West German engineer-

ing concern, expects "satisfactory"

earnings for last year, despite low

Ciba-Geigy to buy Eastman dyes unit

By John Wicks in Zurich CIBA-GEIGY, the Swiss chemical concern, is to take over the textile dyes business of Eastman Kodak's hemicals division.

No price is being disclosed for the acquisition, which includes "all pa-tents, marketing and technical in-formation and manufacturing

Eastman's dyestuffs plants at Kingsport, Tennessee, is to produce on behalf of Ciby-Geigy for the next two years until the Swiss group expands its own production. Ciba-Geigy is to assume respon

sibility for sales and servicing of the products involved in the transaction from the start of next month. It is already one of the United States' leading dyestuff manufacturers, with production centred at the Citoms River plant in New Jersey. US activities also play an important role within the Caba Geigy group's dyestuffs and chemicals division, which last year booked worktwide seles of almost SFr 2.5bm

otherwise Europe failed to make up and net income to improve.

The company halved the charges mated that the drop translated into against operating income for factors a saving of about F1 190m. (\$1.3bn). The Eastman deal is the latest in a series of transactions to strengthen Ciba-Geigy's presence in the US.
The most recent of these have been the large Californian energy group.

The most recent of these have been the large Californian energy group.

The most recent of these have been the large Californian energy group. the takeover of the plastic compo-sites specialist Panel-Air, the pur-chase of a minority stake in the bio-lrag, Kuwait, Lebanon and Qatar, technology company Phytogen and the decision to buy land and premiarly and a former employee of a London-based Santa Fe subsidiary. ises in California formerly occupied by Warner Lambert.

Suez launches Franco-German joint banking organisation

BY DAVID MARSH IN PARIS

COMPAGNIE Financiere da Suez, ing director of Matuschka, one of terested in finding partners and do-the French state-owned financial West Germany's venture capital ing business, in either country.

Matuschka, a privately owned specialists, said the joint company in 1970 management. German group, are setting up a would aim particularly at backing joint banking organisation to ar- deals in areas like machine tools, range corporate finance deals in the pharmaceuticals, food and

two countries.

"We believe this sort of organisation is lacking in Europe," Mr Jean
Peyrelevade, the Suez chairman, 50m West German venture capital said yesterday. The new, Munichbased company, called Suez-Ma-huschka Finance, will be 50 per cent owned by each partner. It will have a capital of only DM 100,000 (\$44,600) but it will aim to channel resources from the two groups towards 'promising Franco-German business and industrial ventures.

fund set up by Matuschka in De-cember. Mr Peyrelevade said the new company could eventually act as the basis of a separate Franco-German venture capital effort. Initially, however, Suez-Matusch-

ka Finance will concentrate on mergers and acquisitions and putusiness and industrial ventures. ting together financial packages for ture
Mr Rolf Christof Dienst, manage French and German companies in US.

group set up in 1970, manages about DM 600m in venture capital funds. Corporate investors in a DM 116m German fund set up in 1983 Bayer, Messerschmitt-Bölkow-Blohm and Deutsche Bank.

Matuschka has also carried out acquisitions in Germany for clients such as Nestle, Krupp and the UK pharmaceuticals group Boots. Suez has been trying increas-ingly to build up its venture capital and development capital business

with a string of funds and joint venin 1904, Arth, or which dieset en-gines make up almost half its turn-over, achieved parent-company earnings of DM 57.7m. It paid an in-creased dividend of DM 9 per DM

clined slightly to DM 3.5bn from DM 3.53bn.

Insider trading coup for SEC

THE US Securities and Exchange effort by the SEC to identify active traders in Santa Fe securities in the its largest ever insider trading case days before the merger was anby obtaining agreements from eight defendants to give up a total of \$7.8m in allegedly illegal trading profits plus interest, Renter reports from Washington.

The case towns from the defendants was hampered by Swiss bank secrecy laws because the trading was carried out through US affiliates of Swiss bank.

The ca by Kuwait Petroleum. Among the defendants are the Qatari minister The settlement ends a five-year

NEW ISSUE

It is those accounts, plus interest, that the defendants yesterday agreed to give up to settle the SEC

the defendants was hampered by __ As part of the settlement, the court established a settlement fund enabling individuals who traded in against the eight defendants, whose claims for reimbursements of their identities at the time were untrading losses.

As a result of that suit, New York bank accounts holding a total of solution in suspect Santa Fe trading profits were frozen by a New York \$6.2m in suspect Santa Fe trading profits were fruzen by a New York the New York law firm of Buchbinder, Stein, Tunick and Platkin.

group sales during the year of DM 5.5bn (\$2.4bn) from DM 5.7bn in The fall at parent-co was steeper, to DM 3.5bn from DM 4.6bn. However, this was mitigated by the inclusion in the consolidated

figures for the first time of turnover (MWM) and Deutz-Allis, the former agricultural equipment division of Allis-Chalmers of the US. In 1984, KHD, of which diesel en-

50 nominal share. Orders booked during 1985 de-

Amoco to cut expenditure

The SEC first filed a lawsuit time as the defendants, to file company, is to cut its 1986 capitel against the eight defendants, whose claims for reimbursements of their spending programme by a third, or trading losses. severe drop in world crude oil prices," writes William Hall in New

> Spending totalled \$5.4bn in 1985 and \$5bn had been earmarked for the current year.

consider merger plan

By Our Financial Staff

TWO DUTCH insurance groups are studying a merger which could create the second largest domestic general insurance company in the Netherlands. The are Centraal Beheer and In-

terpolis, and both operate almost exclusively in the Dutch market. Centraal Beheer is the biggest direct Dutch underwriter. Interpolis is owned by the KNBTB, the Dutch agricultural and horticultural

The two groups expect to complete their findings this year. Central employs 1,940 people and Interpolls 1,500. Their respective premium incomes for 1985 are estimated at Fl 29bn (\$1.14bn) and Fl

Sacilor set to cut loss

SACILOR, the French state-owned steel group, expects to halve net losses to about FFr 2.5bn (\$362m) in 1986 from an estimated FFr 5.4bn loss for 1985.

The company expects a restruc-turing plan to be completed by the end of 1987 and Sacilor is set to just about break even that year and re-

turn to profit in 1988. The operating loss for 1988 is expected to be cut to less than FFr 2bn from about FFr 4.1bn in 1985. The restructuring plan, which cost Sacilor 10,000 jobs last year, will involve e further 10,000 job losses in 1988 and 4,000 m 1987.

Bosch to sell ignition unit

ROBERT BOSCH, the West Ger-

man motor components and elec-tronics group, may sell its produc-tion facilities for magnetic ignition systems used in motorcycles to the

Zanussi group of Italy.

Bosch plans to stop producing the components at its Nuremburg factory by the end of the year. If agreement with Zanussi is reached the Italian group will take over production in stages. About 90 of Bosch's 3,600 Nuremburg workers are

Bosch wants to shut down its op-eration because of the drop in regis-trations of new motorcycles across

Dutch insurers | Litton falls 37% despite quarterly rise in sales

terday reported a 37 per cent drop

pressures" in the consumer microwave oven industry continued to he primary causes of lower profits. sharply higher net interest expense to service the debt the company is-

Net interest expense in the first

BY OUR FINANCIAL STAFF

AUDI, the Volkswagen subsidiary, increased turnover, volume sales and profit last year. Turnover rose 10 per cent to DM 9.5bn (\$4.2bn) and volume sales by 2.5 per cent to about \$71,000 units, Audi made a net profit of DM 185m in 1984.

The increase in sales last year

The increase in sales last year was due to exports, which rose 8 per cent to about 232,000 units. Domes-

tic sales fell 7 per cent to about

137,000 and domestic market share

to 5.7 per cent from 6.1 per cent.
Audi expects to increase volume

USG, the US building materials and

industrial products group formerly known as US Gypsum, has agreed to acquire Donn, a Cleveland-based producer of ceiling grid and interior

access floor systems, in e share deal worth about \$188m.

The transaction for 2.8m USG

shares will substantially strengthen USG's position in the interior sys-

tems business. Donn, which had

sales of about \$300m in 1985, em-

ploys 2,000 people at 10 US plants and seven overseas facilities.

LITTON Industries, the Los with \$141.9m in the same period of Angeles-based conglomerate, yes- the previous year.

Audi sales boosted by

sales further this year, at home and abroad. It added that the falling dol-the existing network of dealers.

USG buys Donn for \$168m

8% rise in exports

to find a new partner for the music publishing company. Polygram finally moved into the black last year after posting a string of losses in recent years.

which is expected to remain in red until next year.

Profitability, or net income as a percentage of sales, slipped to 1.5 per cent last year from 2 per cent in 1884. Mr Wisse Dekker, who will re-

the music publisher since acquiring aimed for profitability of between 3

For this year Philips, Europe's cut the value of inventories as a largest electronics concern, said it percentage of sales to about 23 per

Earnings were also reduced due to sued to buy back 15m of its shares

As a result of the share repurin second quarter earnings to \$47m chases, the impact of the lower on sales which rose 4.5 per cent to \$1.17bn. chases, the impact of the lower profits on earnings per share is far less. In the latest quarter, Litton The company says the effects of depressed energy markets served by its resources exploration services division and "extreme pricing earned \$3.24 per share company earned \$3.24 per share company with \$3.33.

Better performances were re-corded by the group's industrial au-tomation systems divisions and the Ingalls shipbuilding division. In the first six months of the current year Litton's sales dipped from \$2.29bn

to \$2,27bn. For the first six months the ophalf of Litton's current fiscal year to erating profits of the marine engi end January 1988 totalled \$4m, com- neering and production divisions pared with net interest income of \$71.5m in the same period of last year. Net earnings in the first half of 1985-86 totalled \$99.7m compared systems and services divisions

non-rusting bodywork.

The company plans to set up about 40 Audi centres in Germany

to sell and service only Audis

USG Acoustical Products, USG's

ceiling products subsidiary, also plans to spend \$20m on expanding

its ceiling tile production capacity by about 20 per cent.

A new subsidiary, to be called USG Interiors, will be set up, taking in the businesses of Donn and USG

Acoustical, to create a concern with

annual sales of more than \$500m.

acquiring the stock of DAB Hold-

ing. Donn's parent.

The deal will be achieved by USG

Commodore wins \$135m credit line

By Our Financial Staff

COMMODORE International the struggling bome computer manu-facturer, has passed an important milestone in its battle for survival by reaching agreement in principle with its major lending banks on a \$135m credit line.

Commodore said it hoped arements for the workdwide credit facilities," due to extend imtil March 15, 1987, would be formalised and signed as soon as possible.

Mr Irving Gould, chairman, said: We are gratified by the re-estab-lishment of normalised credit arrangements and look forward to restoring profitability this year."
The company last month received waiver extensions through February of its non-compliance with financial covenants of its loan agreements. Commodore had been in technical default following e loss for the year ended June 30 of \$113.9m.

lar would have bittle effect on US business profitability because there would be scope for price increases. Capital investment rose steeply to DM 900m last year from DM Delhaize to 500m in 1984 and was expected to be about the same level this year, according to the company. Much of the spending would stem from the introduction of fully galvanised, sell majority

By Quentin Peel in Brussels

in US unit

DELHAIZE The Lion America, the wholly-owned subsidiary of the Belwooly-owned subsidiary of the Ber-gian supermarket group Delhaize Le Lion, is to sell a majority share-holding in its ailing Atlanta opera-tions to Super Valu Stores of

the largest food wholesale group in the US, will buy 51 per cent of the Food Giant group and take over management of its 54 supermarkets in and around Atlanta. In e separate arrangement the Cub division of Food Giant, which operates a fresh food super-store with two more under construction,

The deal means that Super Valu.

ny owned 80 per cent by Delhaize and 20 per cent by Super Valu. The company yesterday declined to put any value on the sale, which will only take effect from April 1.

will become an independent compa

These Notes having been sold, this announcement appears as a matter of record only.

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INTL. COMPANIES & FINANCE

Strong growth lifts Bank of Montreal

BY BERNARD SIMON IN TORONTO

BANK OF MONTREAL, Canada's according to a five-year moving avsecond largest bank, lifted net earnings to C\$98.3m (US\$70.7m) or C\$114.1m, compared to actual loan C\$1.07 a share in the three months to January 31, from C\$79m or 89 cents a share a year earlier, as reported briefly yesterday.

Assets at the end of the quarter rose from CS76.1bn to CS84.6bn and Sens return on assets improved by six return on assets improved by six percentage points to 0.47 per cent.

The bank ascribed the higher earnings to strong growth in loans, rising customer desposits and increased fees and foreign exchange income. But it cautioned that continuing instability in the world economy made forecasts "subject to a high degree of uncertainty."

Loan-loss provisions, calculated

Separately, Bank of Nova Scotia reported a first quarter decline in net income from C\$75.7m, or 48 cents a share, to C\$73.8m, or 46 cents a share.

The drop was due mainly to a 43 per cent jump in loan-loss provisions to C\$100.9m and higher salaries, property ex-penses and other non-interest

Standa profits slip 5 per cent

BY ALAN FRIEDMAN IN MILAN STANDA, the retailing subsidiary of Italy's Montedison Group, last year suffered a 5 per cent drop in consolidated net profits, to 125.6bn (\$16.7m). The company said this was because of increased tax

payments. The lower income was struck on

lets in Italy and several Euromerca-to hypermarkets, said it made in-vestments totalling L52hn lest year.

· · · · ·					
POSTER WHERELER Engineering & constr	uction.		Steektest cerests		\ [*] .
Fourth quarter	1965	1984	Fourth quarter	1960 \$ 716m	1984 8 638.7m
Revenue	339.3m	350.7m	(10 Aniatra)	54.720	44.7m
Net profits	3.7m	10.8m	Net profits	0.44	0.33
Net per abers	0.11	0.31	Het per share	-	
Year			Year	2.99bn	2.6bs
Revenue	1,23bn	1.33bn	Revenue	261.1m	250.5
Not profits	26m	35.4m	Net profits	2.25	1.0
Not per share	0.76	1.03	Het pur share		
PUQUA PROUSTRIES		·	ROHR MIDUSTRIES		
Consumer poods	·	<u> </u>	Vecabees combases	ta .	
Fourth quarter	1985	1964		985-66	904-85
Revenue	227.7m	207.6m			132 6
Op. set profits	6.2m	. 9,1m	Reveale	156,1m	11.70
Op. net per share	0.65	0.91	Net profits		-0.74
Year			Not per share	0.69	-0,74
Acres	862.4m	782.4m	Six months	-46.5-	301.90
Op. net profits	31.3m	26.5m	Revenue	310.5m 24.1m	23.2
Op. net per share	3.03	3.86	Net profits	1.37	1.47
			"Restated for stock dish	timition in	Decem-
GRAND UNION* · Retalling			-her 7965		
Third quarter	1965-95	1284-85	· .		
			US LITTLE	_4	
Revenue	611.8	596.6m	incuration, themsist w	A dione	
Het profits	3.3801	1,73m		1965	1964
Not per share	_		Fourth quester		
Nine months Revenue	2bn	1.95bp	Revenue	264.8m	226.3m
Net profits	14.0m	4.54	Net profits	20.4m	19.6m
Not per above		•	Het per where	1,02	0.96
* Owned by Str James G	aldemille's	overel	Yest		
occidentale	-	Acres-	Revenue	1.02bn	922.7m
			Net profits	76.2m	71.7m
HOMESTAKE MINING Lorgest US gold prod	acet.		Net per share	3.65	3.47
Pourth curreter	1985		WESTYACO		
			Pulp and paper		
Revenue	85.1m	71,8m			
Not profits	70	214		965-96 1	
Net per share	0.14	0.04			
Year	247 2-	440 7mi	Bearing	416.4m	429.Em

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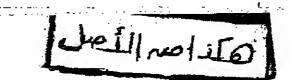
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INTL. COMPANIES & FINANCE

MAS leaves brokers in despair

AS SINGAPORE'S banks scramble to protect their loans to stockbrokers, and the brokers to stockbrokers, and the brokers struggle to survive, increasing doubts bave been raised this week about how the Monetary Authority of Singapore (MAS), the island stata's quasi-central bank, bas dealt with the crisis of confidence that began in late November with the collapse of Pan-Electric Industries.

Butters now, privately accuse

Pan-Electric Industries.

Bankers now privately accuse the MAS of stringing them along for three months in a costly and ill-conceived plan to restore confidence in the broking system, while not following through with actions needed to make the plan work.

make the plan work.

Brokers, for their part, are angry beceusa many face failure over what they say is an unnecessary evaporation of con-fidence caused by a lack of regulatory leadership from the MAS.

As a result, brokers say, the

innocent are being dragged down along with those responsible for causing the crisis, and fundamentally sound institutions will crumble.

"All wa need is one word from "All wa need is one word from the authorities that they will stand behind the system," says one broker, pointing to confid-ence-building measures taken by the Bank of England and the US Federal Reserve Board following past collapses of financial institutions in those

dealings with Pan-Electric and its related companies, or in their shares. Creditor banks have begun to obtain court orders for scrip, and ba expects

on loans is due to expire. on loans is due to expire.

The three-day closure of the stock market in early December was intended to provide a breathing space so a plan could be formulated that would prevent Pan-Electric's imminent default on \$\$140m (US\$65.3m) of forward share contracts from dragging down a string of broking houses.

The plan called for Mr Tan

The plan called for Mr Tan Koon Swan to provide S\$40m of operating funds for Pan-Electric, and personally to vouch for the S\$140m in share

Steven Butler on the stock

contracts. A \$\$180m lifeboat fund for the brokers was provided by Singapore's four major domestic banks, and tha MAS convinced foreign banks— which bad lent more than S\$1bn to the securities industry—not to call in loans for three months in order to give the measures time to restore confidence in for releasing funds, and reports from bankers and brokers who have met the MAS are not entirely consistent.

the Bank of England and the US Federal Reserve Board following past collapses of financial institutions in those countries.

The broker says his firm is now on the edge of collapse, even though it had almost no dealings with Pan-Electric and

At the same time, it grad-ually became clear that tha hastily-conceived brokers' life-boat was unworkable for a

market crisis in Singapore the criteria set have been exceedingly stringent—sharply paring down those ellgible to draw money from the fund in order to make the fund's resources "adequate." The MAS has not made public its criteria for releasing tinds and reporters

> The MAS has started to tell the MAS has started to tell bankers that their interests will best be served by maintsining credit lines to brokers, the logic of which bankers have found very hard to grasp. "The MAS is asking us to give," says one banker, "but we are not getting anything in return."
>
> After waiting for three

After waiting for three months, it is being realised that the level of support for the broking industry will be far

variety of technical reasons, which some brokers blame on the inexperience of the MAS in dealing with the stock market. Previously, stock market regulation was not a MAS responsibility. The lifeboat also began to appear far too smail.

Late last week, Singapore's brokers set their pens to a new Sil80m agreement which apparently resolved amblguities in the original accord. Monay will be released to the brokers according to criteria drawn up by the MAS.

Bankers and brokers have since discovered, however, that

On the stock

To the stock

The MAS may reason "List e shakeout in the industry is interesting to criteria drawn up by the MAS.

Bankers and brokers have since discovered, however, that the MAS cannot be blamed for the main cause of its collapse—Mr Tan'a failure to raise money and his subsequent errest. The MAS has none tha less made it extraordinarily difficult for bankers and brokers, not to speak of the investing public, to assess precisely what is at

speak of the investing public, to assess precisely what is at risk. No one knows for certain just bow much support will be forthcoming, and under what

The guessing game over who is solvant has now persisted for three months, and nothing could be better calculated to deflate confidence and leave broking firms subject to collapse by means of vicious

rumours.
The MAS may indeed succeed in restoring confidence in the narrow sense—confidence that everyone will be made to trade by the rules. Enforcing rules is evidently what the MAS does best. But as one broker put it:
"No one objects to the MAS being over-zealous, just that It is unco-operative."

All of these securities having been sold, this announcement appears as a matter of record only.

\$100,000,000

American Express Credit Corporation

Notes Due February 15, 1996

The Notes will bear interest at the annual rate of 8.45% from February 12, 1986 through February 14, 1991 and, if extended by the holder, et the annual rate of 9.45% thereafter. The Notes will be repayable in whole or in part et the option of the holder thereof on February 15, 1991 at their principal amount plus accrued interest to the date of repayment.

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Shearson Lehman Brothers Inc.

The First Boston Corporation

Goldman, Sachs & Co.

Merrill Lynch Capital Markets

Morgan Stanley & Co.

Salomon Brothers Inc.

February 1986

Matsushita Electric sees downturn

By Yoko Shibata in Tokyo

MATSUSHITA Electric Industrial, the world's largest con-sumer electronic and electric appliances maker, lifted group net profits 3 per cent to Y246.45bn (\$1.36bn) in the year to November 20 but fears a sharp downturn this year.

Consolidated sales showed a rise of 7 per cent to Y5,052.7bn, above the Y5 trillion (million million) mark for the first time. Net earnings per share advanced to Y135.08 from

million) mark for the first time. Net earnings per share advanced to Y135.08 from Y134.83.

For the current year, a Matsushita executive warned yesterday: "If the yen remains at Y185 to tha US dollar, it is ioevitable that we will suffer a 20 per cent fall in consolidated net profits." This would come on projected sales of Y4,800bn, down 5 per cent, even after a mark-up of export prices and curbs on capital investment. curbs on capital investment

Monopolies body seeks to

THE AUSTRALIAN monopolies body, the Trade Practices Commission, yesterday intervened in the takeover battle for Broken Hill Proprietary (BHP), seeking an injunction restraining Mr Robert Holmes a Court's Bell Resources from dispensing its offer or buying more shares.

The AUSTRALIAN monopolies inquiry into the BHP bid, the Commission has now moved to delay Bell's offer until parliament has ruled on the proposed amendment.

A vote on the amendment bad originally been scheduled for February 20, Tha commission earlier this week shares.

dua to be heard in court to-morrow and, if successful, is likely to have effect until mid-

U.S. \$50,000,000

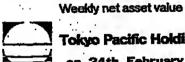
Pirelli Financial Services Company N.V (Incorporated with limited liability in the Netherlands Antilles) Guaranteed Floating Rate Notes due 1994 Unconditionally Guaranteed by

IIRELLI Pirelli Société Générale S.A.

Notice is hereby given that the Rate of Interest has been fixed at 83% % and that the interest payable on the relevant Interest Payment Date August 27, 1986 against Coupon No. 5 in respect of \$5,000 nominal of the Notes will be U.S.\$205.82.

February 27, 1986, London
By: Citibank, N.A. (CSSI Dept.), Agent Bank

CITIBANCO



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Tokyo Pacific Holdings (Seaboard) N.V. on 24th February 1986 U.S. \$118.20

Listed on the Amsterdam Stock Exchange

Information: Pierson, Hukiring & Pierson N.Y., Herengracht 214, 1016 BS Amste

AIBD	BOND		CES	
WEEKLY EURO	BOND GUID	E FEBRUA	ARY 21, 19	16
,	Redemption	Chenge		12 Monthe Low
	Yield	on Week	High	D044
LIC PARIS	9,956	-1.338	12.260	9.956
US Dollar Australian Dollar	14.315	-0.907	14,630	12.600
Canadian Dollar	11.478	-1.789	13,190	11.074
Euroguilder	6.214	1.156	7.790	· 6,084
Euro Currency Unit	9.434	1.050	10.290	9.190
Yen	6.817	1,189	7.480	6.690
Sterling	11.354	-2.533	11.932	10.770
Davasahamada	6.721	-0.311	7.830 ·	6.719
Bank J. Vontobel &	Co. Ltd., Zuri	ich - Telex	ti 812744 JV	Z CH
	·			

CITICORPO U.S. \$500,000,000 Subordinated Floating Rate Notes Due October 25, 2005 Notice is hereby given that the rate of Interest has been fixed at 8.0375% and that the interest payable on the relevant Interest Payment Data March 27, 1986 against Coupon No. 5 in respect of US\$10,000 nominal of the Notes will be US\$ 62.51.

February 27, 1986, London By: Citibank, N.A. (CSSI Dept.), Agent Bank **CITIBANK**

CITICORPO U.S. \$350,000,000 Subordinated Floating Rate Notes Due November 27, 2035 Notice is hereby given that the rate of Interest has been fixed at 8.0375% and that the interest payable on the relevant Interest Payment Date March 27, 1986 against Coupon No. 4 in respect of US\$10,000 naminal of the Notes will be US\$ 62.51.
February 27, 1986, London By: Citibank, N.A. (CSSI Dept.), Agent Bank

CITIBANCO

delay Bell bid for BHP

BY LACHLAN DRUHMOND IN SYDNEY

union pressure for a broader

THE AUSTRALIAN monopolies inquiry into the BHP bid, the body, the Trade Practices Com-

unsuccessfully sought from Bell The injunction application is a voluntary restraint on the to be heard in court to despatches of its takeover offer to sharebolders, a mova which could first have been made next

could first have been made next Monday.

Meanwhile, BHP took legal action on two fronts yesterday. First, it challenged a ruling by the National Companies and Securities Commission (NCSC) configuring the acceptability of the "multiplier" effect—a chain of acceptances and market purchases—in Bell's bid for 50 per cent of each share-bolding in BHP.

The NCSC will be in court

today to defend its decision, which strengthens the chances of the bld succeeding. BHP also issued writs against

Bell for a court action next Monday, seeking an injunction to halt despatch of the offer document because of what it alleges is misleading informa-tion and failure to comply with takeover legislation.

Peko-Wallsend trebles profits

By Our Sydney Correspondent PEKO-WALLSEND, the Australian mining and industrial group, showed the benefits of the depreciation in the Australian dollar, with a neartrebling in net earnings for its December balf-year.

Net profits came to A\$30.1m (US\$21.3m) compared with A\$12m in the corresponding period and a total of A\$27.2m for all of 1984.

The results included all the foreign exchange losses result-ing from forward hedge arrangements predicated on a arrangements predicated on a stronger Australian dollar, leaving Peko a clean slate for the latest year on its US dollar-based export sales of coal, iron ore, scrap metal and gold. Mineral division sales were

up 70 per cent to A\$170m, belped by bigher coal output, while industrial division sales were 18 per cent higher at

A\$279m.
The dividend has been doubled to 10 cents, drawn from earnings per share of 35.5 cents against 15.4 cents.

NOTICE TO HOLDERS OF TRIZEC CORPORATION LTD BEARER SECURITIES Coples of the 1985 Annual Report of Trizec Corporation Ltd can be obtained on request

Trizec Corporation Ltd
30th Floor, Scotia Centre
700 Second Street S.W.
Celgary, Aberta T2P, 2W2
(el: (Cenada) (403) 269-8241
Telex: 03-825666

HILL SAMUEL FINANCE B.V. 000,000,0622515 Hosting Rate Notes due 1996
In eccordence with the provisions of the Notes, NOTICE
IS HEREAY GIVEN that for the
Interest Period from 27th
February 1986 to 27th August
1986 the Notes will carry e Rete
of Interest of 8½% per ennum
and that the interest payable on
the relevent interest Peyment
Date, 27th August
1986, against
Coupon No. 5 will be
US\$408.51.
Agent Bank:

Agent Bank: Morgan Guaranty

South African shipping group lifts turnover

SHIFTS in South Africa's foreign trade patterns distorted the performance of Safmarine & Rennies Holdings (Safren), the shipping and tourism group, in the six months to December

Turnover increased by 17.4 per cent to RL09bn (\$551.2m), but pre-tax profits rose only 4.3 per cent to R94.2m.

For the wholly-owned Saf-For the wholly-owned Saf-marine shipping line, export cargoes were comparatively easy to find and ships tended to leave South African ports fully laden. Import volumes declined sbarply, bowever, due to the rand's decline and the persist-ence of the country's recession. Renfreight, the 75 per cent-owned shipping services and tourism subsidiary, was affected both by lower imports and a decline in the number of

tourists visiting South Africa Kersaf, which is 77 per cent-owned and bas interests in casinos in South Africa's black bomelands, again increased its turnover and profits.

Interim earnings per share calculated before extraordinary losses on the sale of offshore investments rose to 74 cents from 72 cents, and an unchanged interim dividend of 26 cents has been declared.

In the last full year, earnings per share totalied 131 cents and a total dividend of 76 cents was paid. The directors believe that this year's attribotable income will not be less that that of last year.

All of these securities having been sold, this announcement appears as a matter of record only.

\$100,000,000



Household Finance Corporation

Notes Due February 15, 1993

The Notes will bear interest at the annual rate of 8.40% from February 11, 1986 through The Notes will be repayable in whole or in part at the option of the holder thereof on February 15, 1990 at their principal amount plus accrued interest to the date of repayment.

Shearson Lehman Brothers Inc.

February 1986

All of these securities having been sold, this announcement appears as a matter of record only.



Notes Due February 1, 1996

The Notes will bear interest at the annual rate of \$.50% from February 1, 1986 through January 31, 1991 and, if extended by the holder, at the annual rate of 9.55% thereafter. The Notes will be repayable in whole or in part at the option of the holder thereof on February 1, 1991 at their principal amount plus eccrued interest to the dete of repayment.

Shearson Lehman Brothers Inc.

February 1986

Peter Montagnon reports on the prospects for investors

Breath of life stirs sterling bonds

THE SHARP rise of sterling against the dollar in recent weeks has given a new, if still tentative, breath of life to the

Eurosterling bond morket.

As currency worries have shared, hopes for o cut in bank base rates have risen, fuelling one rather difficult point for the base rales have risen, fuelling demand for gilt-edged stock. The prices of Eurosterling have risen on the back of the rally.

Since the start of the month prices of fixed rate Eurosterling bonds have gone up sharply—for example the 10½ per cent McDonald's Corporation issue due in 1990 has risen nearly 3 points to roughly par, while British Petroleum's 10½ per cent bonds due 1992 have advonced more than 3 points to 99. At the looger dated end, gains have been even larger with the World Bank's 11½ per cent issue due 1995 rising to 102½ from 993.

Not surprisingly, aomobankers are now talking of 8 window opening up for new issues in the primary market. Last wrek saw three issues totalling £t50m, to add to a £75m issue launched by GMAC-UK on February 13, and market talk is that more could that the market's advance, which was originally triggered

Mayne Nickless boosts

interim net profit 17%

security group, pushed net pile better business volumes. profits up 17.3 per cent to A\$20.1m (US\$12.2m) in the proved their performance des-

Turnover was up from Mestfield Holdings, the shopAS502m to A\$633m, and the ping centre developer which was profit came after tax of A\$14m against A\$12.8m, interest charges A\$2m higher at A\$9.7m, and depreciation A\$3m higher for its half-year to December,

Our Finguish Staff adde.

BY LACHLAN DRUMMOND IN SYDNEY

transport

Continued growth in estab-

lished businesses provided the increase, which came despite establishment and acquisition costs on the Security Express

operations in the UK, lower profits in the US and industrial

disruption in Australia, the com-

MAYNE NICKLESS.

December half-year.

could soon be boosted further by demand from continental investors auxious to lock into today's bigh yields.

optimists to counter is that the recent spate of Issues have not exactly met a rapturous reception, although some were from names, such as Deutsche Bank and Philips, which normally appeal to continental investors.

Although the new issues traded within their fees after launch, they have not performed as well os the gilt market liself. For example, the market Itself. For example, the GMAC 11 per cent issue, which started out at n yield some 34 hasis points below the equivalent gilt-edged stock, now trades at 0 yield some 22 points obove the gilt. A similar movement has been seen in the Deutsche Bank and the Philips

the dollor which still offers a high nominal yield. Sterling

the for the armoured car and re-and movals operations there, des-

proved their performance des-pite industriol trouble, while

units in Belgium and New Zea-land benefited from earlier re-

structuring. Overall prospects for the second half were sound.

The interim dividend is 8 ceols this year, compared with

7.5 cents on increased capital, drawn from cornings per share

of 15.9 cents against 17 cents.

Our Financial Staff adds.

has already fallen sharply to touch new record lows against the D-Mark, so the prospect of currency loss is more limited than before. And yields on sterling bonds are still about Eurosterling sector. They have found to have a very liquid aftermarket.

For big institutional buyers, the gilt market elso holds more appeal than the narrower sterling sector. They have found to work the property in husting the control of the con 4 percentage points higher than on D-Mark foreign hands.

Already there have been signs of retail buyers dipping into the sterling market, obove all from Switzerland and to o_lesser extent from Germany. Further sterling strength could encourage them to get in much deeper, especially given the prospect of base rate cuts as the UK budget day approaches on March 18, since this should en-hance the prospect of capitol gain.

Yet things are never as simple as they seem. Three consideraas they seem. Three considerations stand out against such
hopes. The first is that msny
retail investors ore still besitant
about the currency. Not only
do oil price worries still hang
in the background. There is
also residual concern about the
political future in the aftermath
of the Westland saga.

In other words, investors are still not flooding in ond the market is dragging its feet. So what exactly is the outlook for Eurosterling?

Theoretically, sterling bonds should now be a good buy for continental European investors looking for an olternative to the dollar which still offers a point on the currency than more than 12 per cent. That is borrowers. Swapping sterling a more lucretive way of taking deals is never easy at the best of punt on the currency than of times because there is always buying a bond which may not a shortage of willing domestic

BY OUR FINANCIAL STAFF

in the first half to December, after a year of beavy losses in

Pre-tax profits were R10.3m

(\$5.2m) compared with losses of R15.9m in the corresponding

or R13.5m in the corresponding six months and R24.4m for the full year to last June — a period when high interest charges combined with a steep operating deficit from Sentrachem's ill-timed investment in synthetic rubber.

Interim turnover rose 27.2 per ceot to R618.9m. Although net earnings of 8.7 cents per shore were achieved, against losses of

9.8 cents, the dividend is again

Sentrachem is ultimately con-trolled by Sanlam, the insur-5 cents.

synthetie rubber.

being omitted.

Sentrachem returns to

the black in first half

SENTRACHEM, the South from lower volumes and profit African chemicols group, margins in the six months to emerged in the block once more December and does not expect

fewer tax problems in buying gilts than do retail Investors. The gilts market is a much deeper one, which allows investors to dip in and out aasily. That may be one reason why the Eurosterling sector has lagged behind, producing last week what one senior banker described as a "fundamental odjustment" as yields of Euroissues rose above those on the

requivalent gilts.

The big question now is whether the Eurosterling sector will catch up. One development that would eertainly prevent this happen-ing would be another flood of issues. Since they ore largely targeted to retail investors, Eurosterling issues often take longer to sell than other bonds and some of the paper launched over the past two weeks is still weighing slightly on the

market.
Paradoxically, the yield relationship with the gilt market msy well belp to deter other borrowers. Swapping sterling

an early improvement in trad

ing cooditions, writes Jim Jones

Interim turnover of R205.4m

was 6 per cent higher, but oper-oting profits fell 28 per cent to

R6.7m and pre-tax profits were cut to R4.5m from R8.9m.

electronics divisions are encour

aging, the directors say. How-ever, they expect further crosion of civil engineering

First-half earnings dropped

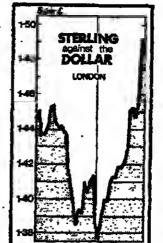
to 10.5 cents a share from t4 cents and the interim dividend

has been cut to 3 cents from

Orders received by Grinaker's

in Johannesburg.

profit margins.



takers of fixed-rate sterling debt. With Eurosterling issues now at o yield premium over the gitts market, swapping has-become virtually impossible. Deutsche Bank just scraped in with its issue launched at 50 basic points below the equiva-lent gilt. That gave a swop into floating rate dollar fueds some 40 basis points below Libor.

But with Deutsche's issue now just level-peggiog gilts, the swap would no longer work, and other borrowers may therefore stay away. That would be a lonic for the market. One point on which all agree is that it could do without a flood of issues priced too tightly just to

Lloyds leads \$150m floater for CSFB

By Our Euromarkets Correspondent

CREDIT SUISSE First Boston. the market leader in Eurobond new issue business, is itself raising money in the market. Yesterday it isunehed a \$150m perpetual floating

a \$150m perpetual floating rate note.

Mr Jack Hennessy, executive board chairman, said the deal would provide the group with additional capital. CSFR, which had shareholders' equity of SFr694m at the end of last year, was already well-capitalised, but wanted to strengthen its position in the light of business expansion.

The deal was in the name of

The deal was in the name of Financiere CSFB, a financing subsidiary, and led by Lloyds Merchant bank. It carries interest at a margin of 1 per cent over the three-month bld rate for Eurodellad deposits

Bankers said there was. some surprise that CSFB had. pleked : Lloyds : to lead the issue rather than manage it itself, but Mr Hennessy said Lloyds had been chosen.

so that CSFB could avoid beasting the league table position of some of its main competitors, but because "they are very good," he

At all events the issue went down well with the market yesterday, trading at a narrow discount of 35 basis points, well inside the total 60 basis point fees. The deal was not without

the dear was not without its critics, though, some of whom suggested that a perpetual floating rata note was an anattractive instrument when issued by a Swiss-based group whose accounts are obscured by hidden reserves. But Mr Hennessy rebutted this point. "It stands on the published balance sheet itself. We wouldn't sell an issue on our hidden reserves—and the market wouldn't buy it," he

Esab to pay more after strong gains

By David Brown in Stockholm ESAB of Sweden, the world's leading manufacturer of weld-ing equipment, reports 1985 profits up 45 per cent after financial costs but before extraordinary items and taxes. They reached SKr 204m (US\$28m) compared with SKr140m the previous year. Sales climbed by 28 per cent to SKr3.92bn. The welding market was described as "favourable."

The board has recommended a two-tor-one will and a dividend increase of SKr2 to SKr12 per share.

Finance chief for Salomon

SALOMON BROTHERS has appointed Mr Peter Gottsegen, appointed an reter conseque, currently a managing director in its New York office, to oversee the firm's global finance activities from Londos, writes Our Euromarkets

Mr Gottsegen, 41, will be one of several managing directors at Salemon in London. His move is designed to belp to integrate financing with the sales, trading and research already carried on from London. He said Salo-mon hoped to develop more corporate finance work in Europe, including cross-border mergers and acquisitions and equity offerings.

Belgium's \$250m deal brightens dull market

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

less secondary market.

Belgium has always been cautious in its approach to the international bond markets out of concern that its issues could

of concern that its issues could be bought by residents as a means of evading taxes.

Like its earlier flooting rate issues, this deal therefore bears unusually large denominations—of \$250,000—and will be offered i nregistered form only. It will not be listed on sny exchange.

Kidder Pesbody ergued yesterday that this approach might slightly dampen demand for the deal among retail investors but would leave plenty of scope for placement to satisfy institu-

In the event the issue, which is priced at 101; traded close to its 1i per cent fees yesterday afternoon and some backers said they detected lead manager coupon, but the structure still

The bonds were launched at a net margin over US Treasury issues of 40 bssis points, which some bankers argued was not enough to offset the registration festure. They said it would take time to tell where the bond would settle in relation to the first spot yesterday would settle in relation to the first spot yesterday. time to teil where the bond One bright spot yesterday would settle in relation to was the Euroyen market where

carries a coupon of 83 per cent, some for Bergen Bank which is was lounched yesterdby under the lead of Kidder Peobody.

It was one of just o bandful of new issues as primary market activity obated against the background of o basically trendless secondbry market.

structured on a "live-now-pay-later" basis. The rationale behind the \$100m, five-year deal is that fund managers are growing worried about missing their yield performance targets because of the general decline

in interest rates To offset this the Bergen Bank issue offers o juicy coupon in the first year of 10 per cent which, after factoring in the issue price of 100), gives o yield over US Treasuries of 160 hasis points. The catch is that the coupon fails in successive yearly stages to 72 per cent in year five.

year five.

Manufacturers Hanover sald Manufacturers Hanover said
the all-in net cost to Bergen
Bank, which will be swapping
the proceeds into floating rate
dollars at a rate more than 25
basis points below Libor, averages out at around 40 points
over US Treasury issues. For a conventional bond it would have to pey a premium of 60

ieft investors wondering what would happen to the secondary

BELGIUM is raising \$250m in Treasury issues, given this the Eurobond market through feature which is new to the its first ever issue of dollar-denominated fixed rate paper. The five-year deal, which Elsewhere Manufacturers are coupon of 8; per cent, issue for Bergen Bank which is narrow discount of just ; per carries a coupon of 8; per cent, issue for Bergen Bank which is narrow discount of just ; per carries a coupon of 8; per cent, issue for Bergen Bank which is narrow discount of just ; per carries a coupon of 8; per cent, issue for Bergen Bank which is new to the insue particle and Camble launched a Y25bn, five-year issue carry-ing a coupon of 6 per cent ond issue price par. Led by Daiwa issue particle deal elosed at a narrow discount of just ; per carries a coupon of 8; per cent, issue for Bergen Bank which is new to the ing a coupon of 6 per cent ond issue price par. Led by Daiwa issue particle paper. ing a coupon of 6 per cent ond issue price par. Led by Daiwa Europe, the deal closed at a narrow discount of just a per cent as investor demand was strong mainly on currency considerations,

In Germany hankers In Germany hankers are today owaiting details of the calendar of issues for March, which is due to be published by the Bundesbank. But on past trends, where the total volume scheduled bas been infloted by issues which did not in the scheduled bas been innoted by issues which did not in the event appear, the calendar has lost its power to shock. New issue volume in February is now running at DM4.55bn compared with a total originally scheduled volume of DM6.71bn.

Sweden vesterday launched a Sweden yesterday launched a
DM300m, 6} per cent issue with
a 12-year life and par issue
price through Deutsche Bank.
The deal got off to a slow start, partly because there is still some resistance to 12-year maturities. But it picked up later as the market improved. Swiss bonds traded quietly lower. New issue scrivity was confined to two small private. confined to two small private placements totalling SFr 50m and SFr 70m respectively for Shindengen Electric Manufac-turing Corp and Tokyu Land Corporation. Lead managers are Banque Paribas and UBS. The SFr 90m issus for Eurovias of Spain bas been swarded s coopen of 51 per cent as indicated by Credit Suisse. Issue price is 991.

Japan lifts curb on Samurai issuers

BY ALEXANDER NICOLL

Samural bond market

YEN 6 TRAIGHTS Issued 8/d Offer day week to 1011, 1011

liberalise the Tokyo market. The curb, called the "no- Dalwa Securities, as orranger, return rule," had been designed said yesterday that the World

THE WORLD BANK has to bolster the Samurai market. Bank had raised Y30bn with o become the first borrower to These issues are listed on privately-placed bullet issue take advantage of the Japanese Jopanese stock exchanges. It with a 20-year life. Priced at Covernment's removal of a ban on private placements hy ministry of Finance as part of the issue has an arranger's fee issuers which had tapped the long series of moves to of 0.5 per cent. Daiwa said the liberties the Tolkin content. all-in cost to the borrower was 6.58 per cent and compared favourably with other yen financing vehicles.

mir H

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Level Williams

FT INTERNATIONAL BOND SERVICE

Listed are the 200 latest international bonds for which there is an adequate secondary market.

Crenge on Crenge on Crenge on Crenge on Barcleys Au. 123, 80 AS 50 575, 865, 0 +114, 16,23 Creditanents 124, 90 AS 50 575, 865, 0 +114, 16,23 Creditanents 124, 90 AS 50 575, 865, 0 -03, 13,38 Peasleof C B, 13 80 AS 50 1005, 1014, 0 -04, 12,72 Sward, Ex. Cr. 13 88 AS 40 375, 385, +04, -04, 14,00 Anger, 103, 90 C3 80, 103, +05, +05, 9,88 Cenad, Pac, 101, 50 CS 75 1034, 1025, -04, +1, 10,16 Cenad, Pac, 101, 50 CS 75 1054, 1024, -05, +1, 10,16 Monited 112, 95 CS 75 1054, 1024, -05, +1, 10,16 Monited 112, 95 CS 75 1054, 104, +05, 10,37 Sen Arr, 103, 92 CS 75 1054, 104, +05, +03, 10,37 CS 80 ANGER 103, 103, 103, -04, +1, 10,037 Montreal 111, 95 CS ... 76
Myl. Trustop 109, 90 C3
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Remy Mrtn 107, 90 Fl... 50
Remy Mrtn 107, 90 Fl... 50
Remy Mrtn 107, 90 Fl... 50
Samc UK F. 104, 90 Fl... 50
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Imp. Ch. Ind. 113, 95 E. 75
Imp. Ch. Ind. 103, 92 E. 76
Mysbashi, F. HK 11 90 E. 50
Trichas. Forta 113, 90 E. 50
World Bank 113, 95 E... 100
COE 87, 95 LFr. 600
N, Lux, Al. 104, 92 LFr. 800
ELOATING RATE
MOTES FLOATING RATE

Assown 3's 90 OM 3/60 O/3 1134 1474 07

"No information evallable—previous day's price.

† Only one market maker supplied a gree.

Straight Bonds: The yield is the yield to redemption of
the mid-price; the amount issued is in millions of
currency units except for Yen bonds where it is i
billions. Change on week—Chango over price a wee
earlier.

commiss. Change on week.—Change over price a week garlier.

Reating Rate Notes: Denominated in dollers unless otherwise iedicated. Coupon shown is minimum. C.dte—Date next coupon becomes effective. Spread of Mergis mose rate for US dollars. C.con—The current coupon-convertible Bonds: Denominated in dollars unless otherwise indicated. Cip. day ethange on day. Criv. date—First date for conversion into thares. Criv. price—Nominal amount of bond per there expressed in currency of share on conversion rate issued. Prem—Percentage premium of the Current effective price of acquiring shares via the bond over the most recent price of the shares.

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NEW ISSUE

February, 1986

The performance of Security

Express improved in the half year. As previously forecast, higher Insurance premiums in the US reduced net earnings A\$10.5m extraordinary gain.

Sentrachem is ultimately controlled by Sanlam, the insurtrolled by Sanlam, the insursence group.

Sentrachem is ultimately controlled by Sanlam, the insursence group.

Grinaker Is controlled by Angioval, the mining, and African civil engineer, suffered industrial group.

FUJITSU LIMITED

Communications and Electronics

U.S.\$200,000,000

41/4 PER CENT. BONDS 1991 WITH WARRANTS TO SUBSCRIBE FOR SHARES OF COMMON STOCK OF FUJITSU LIMITED

ISSUE PRICE 100 PER CENT.

The Nikko Securities Co., (Europe) Ltd.

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IBJ International Limited

Bank of Tokyo International Limited Bank of Yokohama (Europe) S.A. Baring Brothers & Co., Limited

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Swiss Bank Corporation International Limited

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Banque Nationale de Paris Bayerische Vereinsbank Aktiengesellschaft Cosmo Securities (Europe) Limited Dai-Ichi Europe Ltd. Generale Bank

Kyowa Bank Nederland N.V. LTCB International Limited Mitsubishi Trust & Banking Corporation (Europe) S.A. Nippon Credit International (Hong Kong) Limited Pierson, Heldring & Pierson N.V. Saitama Bank (Europe) S.A.

Yamaichi International (Europe) Limited

Rank undeterred by IBA ruling on Granada bid

(IBA) decision that such a move is "unaceptable."

Mr Michael Gifford, chief executive of Rank, said yesterday: "It is our intention to proceed with the offer. We felt we have made a reasonable offer to the shareholders of Granada and that remains our position."

The IBA decision means that all the shares which Rank buys over 4.9 per cent will not include voting rights.

Rank says it is now seeking a meeting with the IBA "In order that a constructive discussion of the implications of Rank's offer

Mr Alex Bernstein, chairman of Granada, said yesterday he thought Rank should reconsider its position and gracefully withdraw. The Takeover Panel, he felt would have a view if Rank went ahead evan though they could never own more than 5 per cent of the voting rights of per ceut of the voting rights of Granada Group. "This seems to make a nonsense of a continua-tion of the bid," Mr Bernstein

shares on Tuesday, the day of the IBA decision, and now owns 8 per cent of Granada.

The indications are that Rank may support the IBA statement and "the peremptory way" it was issued.

Al May

The Rank Organisation said yesterday it is determined to press ahead with its contested aff53m takeover bid for the Granada Group despite an Independent Broadcasting Authority (IBA) decision that such a move is "unaceptable."

Mr Michael Gifford, chief executive of Rank said vester.

business compared with the Granada Group. Rank believes that meeting

Rank believes that meeting the obligations of Granada's television franchise in the north west accounts for no more than 10 per cent of the overall Granada business.

"It would be inequitable if this action on the part of the IBA were to obstruct the ability of Granada's shareholders to benefit from a bighly attractive offer for the whole of their company," Rank said yesterday.

may suggest to the IRA
mechanisms which would enable
Rank to have economic ownerehip but not control of Granada
Television. Rank's main interest
in launching the bid was assessed.

"The IBA has not seen fit to
consult with Rank, to discuss
with it the future of Granada's
TV programme contract nor to
give any detailed reasons for its
ection," Rank pointed out,

Haslemere under attack

BY MICHAEL CASSELL, PROPERTY CORRESPONDENT

Rodames, the Netherlands-based investment trust, last night stepped up its ettack on Haslemere Estates, the property company for which it has made a £240m takeover bid. Rodames airasdy holds a

a £240m takeover bid.

Rodamco aiready holds a 24 per cent stake in Haslemere, which is tomorrow expected to invell the portfolio revaluation on which its case for an independent future will rest.

The Dutch fund, which has traditionally adopted a conservation and a 600p 2 share offer, said the conservation of the conservati

last night that Haslemere would be attempting to give reasons for the poor cernings and assets performance in recent years but that Quilter Goodison, Haslemere's own stockbrokers, had in a figure of up to 750p; following December estimated the property: the revivation by Cluttons.

the average, annual growth rate in Haslemere's net assets per share since 1981, the March 1985 value of 649p would suggest a current figure of around 680p

CITICORP •

Up to U.S. \$3,500,000 8.75% Interest Enhancement Notes due November 27, 2035

U.S. \$350,000,000 Subordinated Floating Rate Notes due November 27, 2035

Chicorp will on March 3, 1986 issue up to U.S. \$3,500,000 principal amount of 8.75 per cent. Interest Embancement Notes Due November 27, 2035 ("Embancement Notes"), which are to be combined with Chicorp's issue of U.S. \$350,000,000 principal amount of Subordinated Floating Rate Notes Due November 27, 2035 (the "Subordinated Notes") on the basis of U.S. \$300 principal amount of Enhancement Notes per U.S. \$10,000 principal amount of Subordinated Notes.

A Subordinated Note and an Enhancement Note will provide a A Suppremised Note and an Entancement Note win provide a combined interest payment monthly in arrears at a title equal to 0.3125 per cent. over one-month LBBD, as described in the Prospectus dated November 13, 1985 for the Subordinated Notes (the "Prospectus") (calculated on the basis of the principal amount of the Subordinated Note of U.S. \$10,000 and without regard to the principal amount of the related Enhancement Note of U.S. \$100).

The minimum interest rate on a Subordinated Note held with an The minimum interest rate on a Subordinated Note held with an Eubancement. Note will be 5.0875 per cent. per manum (being the aggregate of the minhums interest rate of 5 per cent, per annum on the Subordinated Note plus 0.0875 per cent, per annum, calculated on the basis of the principal amount of the Subordinated Note of U.S. \$10,000 and without regard to the principal amount of the related Enhancement Note of U.S. \$100).

The Enhancement Notes will be purchased by Merrill Lynch International & Co. at 100 per cent. of their principal amount plus accrued laterest from February 27, 1986 and may thereafter be made swillable by Merrill Lynch International & Co. together with Subordio-ated Notes at prices to be determined at the time of sale.

A Prospectus Supplement relating to the issue of Enhancement Notes, which should be read in conjunction with the Prospectus, will be available at the offices of the principal paying agent, Citicorp Invest-ment Bank (Lunembourg) S.A. and the sub-paying agents listed in the

The Enhancement Notes have not been registered under the United States Securities Act of 1933 and, except as set forth in the Prospectus, may not be offered or sold directly or indirectly in the United States or to U.S. Persons (as defined in the Prospectus). The Prospectus Supelement closes not construce, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to suste such offer or solicitation.

U.S. \$125,000,000

European American Bancorp (Incorporated in the State of New York, U.S.A.)

Floating Rate Notes Due 1992

Notice is hereby given pursuant to the Terms and Conditions of the Notes that for the three months from 27th February, 1986 to 27th May, 1986 the Notes will carry an interest rate of 81/6/9 per annum. On 27th May, 1986 interest of U.S.\$199.32 will be due per U.S.\$10,000 Note for Coupon

EBC Amro Bank Limited (Agent Bank)

27th February, 1986

SE clears Morgan over share

of breaching its regulations in spending £360m buying shares in Imperial Group for its client United Biscuits, which is bidding £2.4bn for Imperial.

Exchange rules.

want a say on the risks involved in such purchases.

He added that Hanson would be interested to know

would be interested to know the Bank of England's attitude to Morgan Grenfell assuming a £360m credit undertaking with one client when its disclosed shareholders funds were only £174m.

Lord Hanson, chairman of Hanson Trust, yesterday wrote to United shareholders urging them to reject their board's "very risky" bid for Imperial, a company much

son price/earnings ratio.

purchases

for any loss on the share pur-chases was a breach of Stock

mounced in November—the capital loss to United could be over £100m, more than 25 per cent of United's net worth."

around 316p,
Meanwhile, the Takeover
Panel yesterday expressed regret at the publication by Imperial of a newspaper advertisement containing e graph shewing e decline in the Hanson price/earning water

Interest Rate

Interest Period

Interest Amount per

27th August 1986

U.S. \$5,000 Note due

Dated: February 27, 1986

THE STOCK EXCHANGE yesterday cleared Morgan Grenfell, the toerchant bank,

Hanson Trust, a rival bidder for Imperial, argued that an agreement by United Biscuits to indemnify Morgan

the Morgan purchases.

In a letter to Hanson, the In a letter to Hanson, the Stock Exchange said it did not regard indemnity agreements as within the meaning of the rules concerned. However, it added that it might reexamine the position in the light af recent events.

Mr Martin Taylor, a Hanson director, said last night the group was very disappointed at the ruling. One of the Exchange's functions was ta pro-tect shareholders, who might

He asked whether the He asked whether the acquisition of Imperial was not too high a price to pay to satisfy United's grand design of rapid expansion. The difference in value between the Hanson offer and the once substantially higher offer from United has now disappeared, with both worth.

By Martin Dickson

These specify that a quoted company, such as United, cannot spend more than 25 per cent of net worth on an investment without consulting shareholders. United's last disclosed net worth was only £50m more than the value of the Morean purchases.

beard's "very risky" bid for Imperial, a company much larger than United.

Referring to the indemnity agreement with Morgan Gren-fell, he said that it the werst happened the Imperial price would collapse. "If, for ex-ample, it fell to 220p—it was 217p before the Imperial/ United merger talks were an-nounced in November—the

Andrew Gowers on Ferruzzi's out-of-the-blue approach to Berisford Italian suitor with a sweet tooth

THE RELATIONSHIP between S. & W. Berisford, the com-modity trading group, and British Sugar Corporation, the beet monopoly which it acquired for £282m in 1982, bas never looked a very happy one.

looked a very happy one.

Berisford, which is a trading company par excellence and run in a highly personalised fashion by Mr Epbraim Margulles, its chairman and managing director, has often been perceived as not meshing well with a toature industrial company in a giutted market. market.

The City has long been rife with speculation over Berisford. Analysts believed that Mr Margulies would want at some time to seil off British Sugar.

They had also whispered at frequent intervals that the chairman was weary of running at the chairman was weary of running and the chairman was weary man was weary of running a publicly-owned company and was keen to take the trading side of Berisford back into a more

of Berisford back into a more discreet and private anvironment—although Mr Margulies, himself, denied this as recently as last Monday.

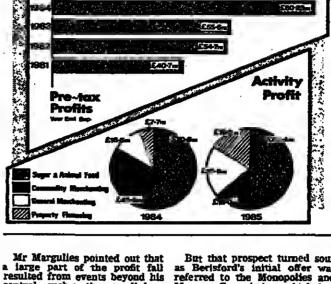
Countless would-be suitors for BSC have been mentioned—ranging from Hillsdown Holdings, the fast-growing food group, to Tate & Lyle, the cane sugar refiner and British Sugar's only big rival in the UK market.

Tate was inhibited from stepping fully into the fray by the rather obvious monopoly considerations. Rumours of management huy-out at the beet mono-

siderations, Rumours of management huy-out at the beet monopoly, itself, have also circulated and foundered.
But the name of Ferruzzi, which was disclosed yesterday as o possible bidder for the whole of

possible bidder for the whole of Berisford with a view to hiving off British Sugar, came like a boit from the blue.

The move follows Berisford's publication of its results this week. These showed pre-tax profits down 34 per cent at £53m in the year ended last September, with e sluggisb profit performance at British Sugar (down £5m at £62m) and a precipitous drop in earnings from commodity trading and merchanting (down £27m at £18m).



5 & W BERISFORD

But that prospect turned sour as Berisford's initial offer was referred to the Monopolies and Mergers Commission, which lost it valuable time and enabled BSC

at valuable time and enabled BSC to improve its margins markedly.

As stockbrokers Henderson Crosthwaite pointed out in a subsequent analysis of the company:

"The once-in-a-lifetime opportunity Berisford brilliantly persected in 1979 or temporary and the property of the company and the property of th in tea, sugar and metals and a cost-price squeeze at BSC, induced by EEC sugar price settlements and sterling's weakness against the dollar. ceived in 1979 no longer existed. It took delivery of a mature business." But nonetheiess, the figures ieft Berisford looking distinctly

business."

The company's maturity has looked more and more obvious in the last couple of years, with a tight ceiling on production imposed by the EEC for all British Sugar's efforts to increase it. It has also been involved in recent months in an increasingly fierce price war in the UK packet sugar market, although Mr Margulies said this week that this should not prevent it main-First, there was its lengthy takeover fight for British Sugar in the early 1980s. When it was launched in the spring of 1980, the bid looked most opportune, with BSC's share price et a very low level and its earnings dropping sharely.

Mr Ephraim Margulies, the chairman of S & W Berisford

taining last year's profit level in production quota.

1985-88. It would thus gain a substantial increase in marketing power, Berisford has also encountered severe problems in disposing of its loss-making Erlanger Tubular Works subsidiary in the U.S.
Additional costs involved in this transaction caused the company to make provisions of £19m in this week's results, which were written off below the line as an extraordinary item.

Then came the tin crisis. Berisford's metals trading subsidiary, J. H. Rayner (Mincing Lane), has outstanding contracts for 7,600 tonnes of tin with the International Tin Council, which ran out of money to support the

ran out of money to support the market isst October.

market isst October.

It made another provision of £10m to cover possible in losses in this week's fgures, but if the rescue plan currently being discussed does not get off the ground its losses could be con-

aiderably higher than that.

For Berisford, there may be a great deal of logic to the Ferruzzi

great deal of logic to the Ferruzzi approach.
First, it would put British Sugar into the hands of the EEC's toost powerful sugar group, which controls its toost important foreign competitor, Beghin Say of France. Secondly, it offers Mr Marguites a smooth route to take the other parts of Berisford private.

If Ferruzzi offers the toarket prices for Berisford, which on yesterday's share price amounts to about £360m, analysts say it is

prices for Beristor, which on yesterday's share price amounts to about £360m, analysts say it is difficult to imagine anyone wanting to trump its offer.

"If he were to try and take Berisford private on his own, he'd have a lot of trouble with his shareholders," said one analyst yesterday. "This way he's challenging them. It's a brave man that's going to bid egainst this."

For Ferruzzi, which already owns the Italian sugar company Eridiana and raised its steke in Beghin Say this week to 49.6 per ceot, acquisition of British Sugar would give it control of some 2.75m tonnes of beet sugar production—more than 22 per cent of the EEC's total "A" and "B" production quota.

and possibly find significant opportunities for rationalisation in the surplus-ridden EEC sugar

market.
Assuming the approach is taken further, however, possible worries may emerge at the British Ministry of Agriculture. which oversees the operations of the UK sugar market, and in the European Commission, which may see cause for concern in such a concentration of produc-

such a concentration of produc-tion in one set of hands.

And there may also be shudders at Tate & Lyle over the prospect of its big rival gaining euch powerful backing.

It remains to be seen whether the Monopolies Commission or the Office of Fair Trading with want to cast their eyes over the deal.

The company increased pre-tax

Havelock Europa agrees terms to acquire rival

BY DAVID GOODHART

Havelock Europa, the shop-fitter and store refurbisher the founder and chairman of which came to the USM in 1884, has reached an agreed all-share deal with its main Scottish com-them to the shop-share capital. has reached an agreed all-share deal with its main Scottish com-petitor, Store Design, which values the private company at about £12m.

1628,000 on turnover of 1858m. holders.

also announced yesterday that Store Design is based in Fife its pre-tax profits forecast, for the year ending April 18 1986 is profit of 21.3m on turnover of not less than 2900,000—a 43 per 29.9m. Mr Rennie bas agreed to cent increase on the previous year.

gear,
Giasgow-based Havelock is
paying for the deal through the
issue of six million new ahares,
exactly doubling its share capital.
Three million of those shares
will be kept by the owners of
Store Design. Of those 2.1m will

81/16% per annum

NOTICE OF REDEMPTION

To the Holders of

Swedish 40 Year Note Trust

1/4% Income Certificates Due 2024

NOTICE IS HEREBY GIVEN to the holders of the outstanding 1/4% Income Certificates Due

2024 of the Swedish 40 Year Note Trust that, pursuant to the provisions of the Fiscal Agency Agreement dated as of June 29, 1984 and the Terms and Conditions of the Income Certificates, the Kingdom of Sweden having given notice of its intention to redeem on March 25, 1986 all of its outstanding Floating Rule Notes Due 2024, all the contending 4% Income Certificates of the Swedish 40 Year Note Trust shall mature on March 25, 1986 at U.S.\$200 per Income Certificate.

the Swedish 40 Year Note Trust shall mature on March 25, 1986 at U.S.\$200 per Income Certificate.

Payments will be made on and after March 25, 1986 against presentation and surrender of Bearer Income Certificates with coupons due September, 1986 and subsequent attached in U.S. Dollars, subject to spplicable laws and regulations, either (a) at the office of the Fiscal Agent in New York City, or (h) at the main offices of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt am Main and London or Kredietbank S.A. Luxembourgeoise in Luxembourg or Swiss Bank Corporation in Baste.

Payments at the office of any paying agent outside of the United States will be made by check drawn on, or transfer to a luxited States dollar account with, a bank in the Borough of Manhattan, City and State of New York, Any payment made by transfer to an account maintained by the payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service (IRS) and to backup withholding at a rate of 20% if payees not recognized as exempt recipients fail to provide the paying agent with an executed IRS Form W-8, certifying under penalties of perjury the payee's taxpayer identification oumber (suployer identification number or social security number, as appropriate). Those holders who are required to provide their correct taxpayer identification number on Internal Revenue Service Form W-9 and who fail to do so may also be subject to a penalty of \$50. Please therefore provide the appropriate certification when presenting your securities for payment. Coupons due March, 1986 should be deteched and collected in the usual manner.

From and after March 25, 1986 the Income Certificates will no longer be outstanding and interest thereon shall cease to accrue.

SWEDISH 40 YEAR NOTE TRUST

By: Morgan Guaranty Trust Company OF NEW YORK, Fiscal Agent

27th February 1986

27th August 1986

U.S. \$202.68

U.S. \$250,000,000

Kingdom of Spain

Floating Rate Notes Due 1997

Credit Suisse First Boston Limited

Agent Bank

control—such as the overall drop in trading volumes on key com-modity markets such as those

The company has been buffeted by a number of mis-fortunes over the last few years.

vuinerable.

values the private company at about £12m.

Havelock, which in :1985 recorded pre-tax profits of £628,000 on turnover of £8.58m, also announced yesterday. that

group for e transitional period.
But Mr Colin Johnstone, production director, and Mr Alex Harper, creative and marketing director, will become executive directors of Havelock Europa. Mackays, the private clothing

Mackays, the private clothing retail company owned by Mr Ian and Len McGeogh, which currently owns 49 per cent of Havelock, fully supports the merger. It will, bowever, be taking the opportunity to sell 1.2m shares and thus reduce its stake to 14.5 per cent of the combined company. combined company.

Havelock began as a shop-fitting subsidiary of Mackays before it floated 51 per cent on the USM. Hevelock's share price yesterday rose 15p to close 230p.

Hampton Trust raising £11m

Hampton Trust, the property and gold mining group, is raising a further film via the issue of first mortgage debenture stock 2025. The stock is priced at £9.11 and the issue, which carries a coupon of 11½ per cent, is being used to complete the refinancing of most ofthe company's short and medium-term bourners in and medium-term borrowing. It has been underwritten by Barclays Merchant Bank and the brokers are de Zoste and Bevan. Last October, Hampton raised £10m of the same stock, which was used to repay short-term borowings arising out of two property acquisitions.

Argyll hearing adjourned

By David Goodhart

Argyll's High Court move to block the latest Guinness agreed bid for Distillers has been adjourned until early next week. Mr Justice Webster, who on Tuesday agreed that Argyli's allegations against the Guinness bld were worthy, of judicial review, yesterday accepted an appeal for deferment from Treasury counsel representing. the Secretary of State for Trada

and Industry.

Argyll is claiming that the iatest Guinness bid is not a new one under th terms of the Fair Trading Act and therefore the earlier hid should not have been laid aside by the Monopolies and Mergers Commission and the Secretary of State.

The judicial review, which has been postponed to allow the defence time to prepare its case, is a standard court procedure whereby the decisions of government depertments can be

cedure whereby the decisions of government depertments can be reviewed and quashed if they are found to have been taken without a proper hearing or outside of existing legal procedures.

Mr Bill Spengler, Distillers' deputy chairman, yesterday described the deal with Guinness as "a perfect fit" compared with the Argyll plan which he said was o "total misfit."

the Argyll plan which he said was o "total missit."
He underlined the argument with three points: Argyll'a international experience is limited to down market products; its declining US margins makes its claim to brand management implausible; Distillers and Guinness have a clear strategy for ness have a clear strategy for

Split by Wham! duo is blow to acquisition plan

By David Goodhart

THE ANNOUNCEMENT that rocked the world of pop music last week—that the bugely successful Whami group is to split—is now leaving its mark in the City.

Kunick Leisure, the entertainmants group which also owns the London Dungeon, announced last month it was acquiring Nomis Management, which manages Wham! for about £5m. But after the news that Mr

manages Wham? for about £5m.

But after the news that Mr
George Michael, half of the
Whaml duo, is to start a solo
career, Mr David Hudd, the
Kunick chairman, said the deal
with Nomis would have to be
renegotiated.

Mr Endd has adjourned the
Kunick EGM called for next
Monday to approve the Nomis
deal. However, Mr Hudd said
sharebolders would not be inconvenienced by the last-minute
decision as the AGM will go
ahead on the same day.

He will now bold talks with
Mr Simon Napier-Bell and Mr
Jazz Summers of Nomis who
were to have joined the Kunick
board as part of the deal. "All
the options remain open," said
Mr Hudd.

FRI ELECTRICALS: Mr Fred Berry has resigned as non-executive director to devote toors time to other business committeents. His 7.02m shares have been placed with institutional investors.

LADBROKE INDEX 1,268-1,272 (+6) Based on FT Index Tel: 01-427 4411

NMC suspended on talks

The shares of NMC Invest a further announcement as soon ments, a manufacturer of fibre- as possible. At the 26tp suspenboard containers and investment sion price it is valued at £2.28m. group, were suspended from trading on the Stock Exchange resterday after the company said it had "entered into negotiations which may lead to proposals being put to shareholders."

profits from £56,430 to £72,775 in the six months ended September 1985 on turnover which fell from £1.77m to £1.72m, Earnings

per share rose from 0.55p to NMC said it intended to make 0.74p.

Granville & Co. Limited

9 Lovat Lana London EC3R 9BP

Over-the-Counter Market

SOCIETES DE DEVELOPPEMENT REGIONAL £30,000,000 151/2 per cent. Guaranteed Bonds 1992

S.G. WARBURG & CO. LTD. announce that Bonds for the nominal amount of £3,000,000 have been drawn in the presence of a Notary Public for the redemption instalment due 1st April, 1986. The distinctive numbers of all Bonds drawn for redemption end with the digit 5, within the range of 5 to 29995 inclusive.

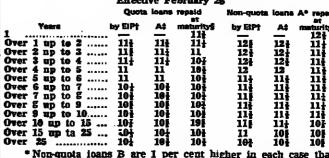
On 1st April, 1986 there will become due and payable upon each Bond drawn for redemption, the principal amount thereof, together with accrued interest to said date at the office of:-S.G. WARBURG & CO. LTD. 33 King William Street, London EC4R 9AS

or with the other paying agent named on the Bonds. Interest will cease to accrue on the Bonds called for redemption on and after 1st April, 1986 and Bonds so presented for payment must have attached all Coupons maturing after that date. £18,000,000 nominal amount of Bonds will remain outstanding after

Some of the Bonds drawn for redemption on 1st April, 1983 with serial numbers ending in the digit 1 in the range 1 to 29991 and on 1st April, 1985 with the serial numbers ending in the digit 0 in the range 10 to 30000 have not yet been presented for payment. 33 King William Street, London EC4R 9AS

27th February, 1986

Public Works Loan Board rates



Effective February 26

*Non-quota ioans B are I per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annulty (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

THE PROCTER & GAMBLE COMPANY

Extendible Notes Due December 15, 1994

NOTICE IS HEREBY GIVEN that, pursuant to paragraph 7(c) of the Terms and Conditions of the Notes described above (the "Notes") the Company has elected to and shall redeem on March 31, 1986 (the "Redemption Date") U.S. \$53,000,000 aggregate principal amount of Notes at a redemption price of 101% of the principal amount thereof (the "Redemption Price"), plus occused interest from December 15, 1985 to the Redemption Date in the amount of \$32.02 for each \$1,000 principal amount of Notes. The serial numbers of the Bearer Notes selected for redemption are as follows:

OUTSTANDING BEARER NOTES IN THE DENOMINATION OF U.S. \$1,000 EACH BEABING THE FOLLOWING SERIAL NUMBERS: THROUGH OUTSTANDING BEARER NOTES IN THE DENOMINATION OF S. \$10,000 EACH BEARING THE FOLLOWING SERIAL NUMBERS: THROUGH THROUGH TEROTOR

The Notes shall become doe and payable on the Bedemption Date at the Redemption Price, plus accrued interest, which shall be paid upon presentation and surrender of the Notes, together with all coupons thereto appertaining maturing after the Redemption Date, at the paying agents listed below.

The Notes to be redeemed will no longer be outstanding on and after the Redemption Date, interest on the Notes will cease to accrue from and after the Redemption Date, the coupons for such interest shall be void, and the sole right of a Note holder shall be to receive the redemption price plus interest accrued on such Note to the Redemption Date.

Payments at the office of any paying agent will be made by check drawn on a Bank in New York City or by transfer to a dollar account maintained by the payer with a bank in Europe. Following this redemption, U.S. \$97,000,000 aggregate principal amount of Notes will remain outstanding.

PAYING AGENTS

Morgan Guaranty Trust Company of New York Morgan House, 1 Angel Court London EC2R 7AE, England

Morgan Guaranty Trust Company of New York Avenue des Arts 35 B-1040 Brussels, Belgium

Union Bank of Switzerland Bahnhofstrasse 45 CH-8021 Zurich Switzerland

Morgan Guaranty Trust Company of New York Mainzer Landstrasse 46 6000 Frankfurt-am-Main West Germany

> Amsterdam-Rotterdam Bank N.V. Herengracht 595 The Netherlands

THE PROCTER & GAMBLE COMPANY By: Morgan Guaranty Trust Company OF NEW YORK, Fiscal and Paying Agent

Dated: February 27, 1986

NOTICE OF REDEMPTION

To the Holders of

Comalco Limited

10% Notes Due 1987

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture, dated as of April 1, 1975, under which the above described Notes were issued, Notes, aggregating U.S. \$2,000.000 principal amount, have been selected for redemption on April 1, 1986, through operation of the Sinking Fund, et the principal amount thereof, together with accrued interest to said date, each in the denomination of U.S. \$1,000 as follows:

Also Notes bearing the following serial numbers: 139 1439 2739 4039 5139 5739 15339 18539 21039 22039 23139 29539 24039 829 2339 3539 4639 6039 15339 17339 20339 21339 22739 23339 23939 24438

On April 1, 1986, the Notes designated above will become due and payable as aforesaid in such coin or currency of the United Stotes of America as at the time of payment shall be legal tender for public and private debts. Said Notes will be paid, upon presentation and surrender thereof with all compons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the Corporate Trust Office of Morgan Goaranty Trust Company of New York, 30 West Broadway, New York, New York 10015, or (b) subject to applicable laws and regulations, et the main offices of Morgan Guaranty Trust Company of New York is Brussels, Frankfurt (Main), London, Paris or Tokyo, or Bank Mees & Hope NV in Amsterdam or Credito Romagnolo S.p.A. in Milan and Rome, or Banque Générale du Luxembourg S.A. in Luxembourg Payments at the office of any paying agent outside of the United States will be made by check drawn on, or transfer to a United States dollar account with, a bank in the Borough of Manhattan, City and State of New York, Any payment made by transfer to an account maintained by the payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service (IRS) and to beckup withholding at a rate of 20% if payees not recognized as exempt recipients fail to provide the paying agent with an executed IRS Form W-8, certifying under penalties of perjury that the payee is not a United States person or an executed IRS Form W-9, certifying under penalties of perjury the payee's taxpayer identification number on Internal Revenue Service Form W-9 and who fail to do so may also be subject to a penalty of \$50. Please therefore pravide the appropriate certification when presenting your securities for payment.

Coupons due April 1, 1986 abeald be detached and collected in the usual manner.

On and after April 1, 1986, interest shall cease to accrue on the Notes herein designated for redemption.

COMALCO LIMITED

Dated: February 27, 1986

HARVARD SECURITIES GROUP PLC

Britain's Largest Over-the-Counter Market Maker

ADRs now trading on **NASDAQ**

Symbol:

HARVY

Supporting tomorrow's business TODAY

UK COMPANY NEWS

Yorkshire Chemicals up 46% as margins widen

Yorkshire Chemicals

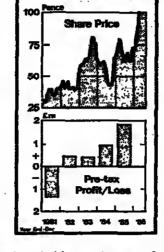
GROWTH ON all fronts has been schieved in 1985 by the Yorkshire Chemicals group, with operating profits increased by 46 per cent and the pre-tax 46 per cent and the pre-tax balance almost doubled. Sharebolders receive a lift in their net dividend from 1.75p

Sales rose nearly 10 per cent, from £31.1m to £24.17m, with the overseas market accounting for £27.08m compared with £24.79m. Sales of speciality products continued to rise rapidly, says the chairman Mr Alan Gould, and represented 30 per cent of turnover, compared with 26 per cent last time and with 21 per cent in 1963. and with 21 per cent in 1983. The chairman explains that the improvement in margins resulted primarily from increased efficiencies and the introduction of new products.

introduction of new products. These advances more than compensated for continuing weakness in worldwide demand for traditional products and for the extreme volatility and relative strength of sterling.

Operating profit was £2.6m (£1.78m). After net interest charges £768,000 (£361,000) the pre-tax profit came to £1.83m (£918,000). Tax takes £408,000 (£152,000) to leave earnings at 10.5p (5.6p) per share. Dividend costs are £414.000 (£246,000) and last time there were extraordinary shares of £658,000.

As to 1936, the chairman axys



Over the four years to, and including, 1983 the group incurred losses of £858,000 and £1.66m, and then returned to profits with £244,000 and £568,000. It missed the dividend in 1980 and then paid 0.5p, 1p, and 1.25p.

comment

Yorkshire Chemical's core dye-stuffs business remains bedevilled by a stagnant market and the stuffs business remains bedevilled by a stagnant market and the group managed to add only about film of turnover on these activities. City forecasters, however, had underestimated the extent to which Yorkshire had succeeded in cutting costs, and a doubling of dyestuffs profits produced a pre-tax figure which took the shares up 4p to 104p. The speciality chemicals side of the husiness has also performed strongly but the current year will see ICI, the group's major customer for high-purity sulphones, cetting up its own production plant. Any fall-off in progress this side should, bowever, be outweighed by further advances with dyestuffs, where currency conditions are aiding competitiveness and where the group is aiming for a shift in the business mix towards higher added-value products. Lower interest charges should help take profits up to £2.5m, and with a tax charge of 24 per cent the shares look attractive on a prospective p/e ratio of around 8.

Miss World ahead at £0.56m

Miss World Group again achieved the bulk of its profits in the second half of the year when its main trading events, Miss World and Miss United Kingdom contests, take place.
The pre-tax result for 1985 was £555,000 compared with £515,000, with £402,000 (£373,000) attributable to the second half. The directors are recommend-ing an increased final of 4p (2.5p) which lifts the total divi-

of beauty competitions, says there is reason to believe that there is still substantial growth in the existing business. Additional growth is expected from the company's investment in Miss World Clubs the first of which will open near London's Heathrow Airport in early April, and other ectivities under con-

advanced stages of negotiation for 1986. In addition, the weaken-ing of the dollar resulted in ne reduction of £30,000 in income from overseas television rights. Operating profits were £465,000 (£465,000) and ways after cost of (£463,000) and were after cost of sales up from £264,000 to £326,000, and higher administra-

The directors are recommending an increased final of 4p (2.5p) which lifts the total dividend-for the year from 3.6p to 5.2p. This is more than three times covered by stated earnings per 10p share of 17.02p against 15.95p.

Looking ahead, Mr Eric Morley, chairman of this USM
and other ectivities under consideration. The pre-tax result was struck after interest received up from £52,000 to £90,000.

Tax took £223,000 (£204,000), to £90,000.

Tax took £223,000 (£204,000), to £90,000.

Tax took £223,000 (£311,000). Dividends absorb £101,000 against £70,000, and fetained profits emerge £10,000 lower at £231,000.

Tarmac spends £8m on US acquisitions

now employs more than 2,000 people.

IEP SECURITIES, a subsi-diary of the investment group run by Mr Ron Brierley, a New Zealand businessman, bas increased its stake in Herizon Travel from 5.2 per cent to 7.42

WALTER HIBBERT Group has acquired en additional 25,000 ordinary shares in Tern Group, which brings its holding to 170,000 (7.3 per cent).

The second secon

Rodime set for £60m SE debut next Monday

Tarma, the quarrying, house holiding and civil engineering group, has bought five US companies for nearly \$12m (£8m) to strengthen its concrete, aggregates and block production business.

The purchases include three companies in Florida and two in Texas.

In Florida it has bought Brooksville Concrete, which operates ready-mix concrete; and block production.

The group's shares are currently quoted in ADR form on the US and is capitalised at how to £58m based on a closing phroce last week of \$10.75 (722p).

Rodime, one of the world's cash has subsequently been strong in the US and its capitalised at the counter market in business.

The purchases include three companies in Florida and two in Texas.

In Florida it has bought Brooksville Concrete, which operates ready-mix concrete; and Silver Sand Company, which bas a sand processing and haulage business.

In Texas Tarmac has bought Gatesville Ready Mix Concrete Company and contract Carriers, an aggregates haulage company.

Since it began operating in the US, where it believes that the best long-term agrowth potential lies.

No lies go to the US, where it believes that the best long-term agrowth potential lies.

Rodime was set up in 1980 and natural prover the counter manufactory of the production.

The group's shares are currently quoted in ADR form on the US and is capitalised at about £58m based of a closing have no immediate plans to do either.

Rodime makes disk drives for small business and personal computers, which are sold mainly to original equipment manufactory of the US, where it believes that the best long-term agrowth potential lies.

Rodime as believes that the best long-term and the Condon. The production.

The group's shares are currently quoted in ADR form on the US. It employs of a contract the counter manufactory of the US and its contract the contract the production.

Rodime as polarity in raising money and making a consistency of the US. It employs to be the US. It emplo

initially funded by the directors, and the broker is Cazenove.

DIVIDENDS ANNOUNCED

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ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1980=100); engineering orders (1980=100); retail sales value (1980=100); retail s 3,103 153.9 164.0 112.7 95 101.5 4th qtr. 1985 103.6 106.5 108.4 108.6 109.2 108.8 107.8 107.9 161.7 164.4 168.2 160.7 163.4 163.0 1st qtr. 115.0 116.3 116.6 115.3 3,174 3,179 3,174 3,177 3,169 3,175 3,183 3,179 3,173 3,167 141.4 145.2 177.7 142.0 141.8 146.9 145.4 143.7 149.8 164.8 210.4 4th qtr. May June July 115.9 115.9 117.5 115.6 162.9 167.3 172.6 170.0 108.4 109.6 109.2 110.5 Angust September October 115.0 117.4 · 159.7 January OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fnels); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

Consumer Invst. Intmd. Eng. Metal Textile House, goods goods goods output mnfg. etc. starts 106.4 100.4 4th qtr. 1985 13.8 18.6 17.1 15.5 18.7 15.6 17.1 163.3 103.3 105.1 105.5 104.3 105.7 165.3 164.1 105.7 106.7 100.3 103.3 163.2 102.0 105.0 103.9 102.0 104.0 109.7 112.9 113.4 112.8 112.6 112.4 115.1 113.5 114.9 116.1 104.6 103.5 105.6 103.0 104.0 104.0 106.0 106.0 104.2 102.2 105.3 101.3 102.7 102.6 2nd qtr. 3rd qtr. 4th qtr. July July Angust September October November 117.8 114.0 111.0 112.0 105.1 105.8 105.1 December EXTERNAL TRADE—Indices of export and import volume (1980=100); viable balance; current balance (£m); oil balance (£m); terms of trade (1980=100); excluding reserves.

Export Import Visible Current Oil Terms Resv. volume volume balance balance balance trade US\$bn* +1,862 +2,368 +1,932 +2,087 +843 +663 +664 +760 +675 +652 96.5 98.2 100.6 101.9 99.1 99.4 101.3 181.1 101.2 102.6 162.0 120.5 120.6 115.0 119.6 118.4 117.0 113.4 114.5 119.1 -1,283 -222 -543 128.5 126.0 123.7 127.1 126.9 123.0 123.3 124.7 125.7 125.7 126.5 14.32 14.18 15.54 14.32 14.26 14.18 16.31 15.98 15.54 3rd qtr. 4th qtr. June July August +336 +491 +333 - 77 -236 -230 September October November 118.9 120.7 December 1986 15.60 FINANCIAL—Money supply M0, M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); building societies' net inflow; HP, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

Bank BS HP Base HP Base W % 5m fm fm %

Financial Times Thursday February 27 1986 UK ECONOMIC INDICATORS

1,511 1,523 1,771 2,299 615 401 650 524 597 796 638 863 3,112 3,068 3,340 3,379 1,037 974 1,109 1,113 1,118 1,124 1,078 1,177 15.2 19.2 17.5 17.7 17.7 20.2 16.8 21.8 14.1 18.7 17.6 17.0 20.4 11.6 17.8 18.4 25.1 8.3 14.4 12.3 19.8 20.4 14.2 4th ctr. May June July August September January 14.4 11.1 INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels, wholesale prices of manufactured products (1980=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trada weighted value of sterling (1975=100).

Basic Wheale, matis. mnfg. RPI Foods coundry, Strig. 139,4 140,2 141,4 375.3 376.3 378.1 339.4 335.5 337.4 278.13 251.12 78.9 82.2 79.8 140.1 140.5 140.9 141.5 141.8 376.7 376.5 377.1 378.4 378.9 335.3 335.8 335.5 337.4 339.4

135.2 142.9 379.7 341.1 n/a Not seasonally adjusted.



The Republic of Panama U.S. \$70,000,000

Floating Rate Serial Notes due 1990

For the six months 28th February, 1986 to 29th August, 1986

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest has been fixed at 9 per cent. per annum, and that the interest payable on the relevant interest payment data, 29th August, 1986 against Coupon No. 16 will be U.S. \$227.50.

> The Industrial Bank of Japan, Limited Agent Bank

Biotechnology

Publication date: May 2, 1986 Advertisement copy date:

> April 14, 1986 FINANCIAL

TIMES proposes to publish this

Survey on the above date For further details, please apply: MALLIIW CLUTTERBUCK on 01-248 8000 ext 4148 FINANCIAL TIMES

Business Newspaper

PIONEER ELECTRONIC CORPORATION

Bank of America

International Limited

IRELAND

US\$300,000,000 Floating Rate Notes due 1997

NOTICE IS HEREBY GIVEN that for the Interest Period commencing 28th February, 1986 the Notes will bear interest at the rate of 81/4% per arrum. The interest payable on 29th August, 1986 against relevant Coupon will be US\$410.76 per US\$10.000 nominal and US\$10.269.10 per US\$250,000 nominal.

It is not after all, the most difficult thing in the world to buy a lowly rated, mature business with highly valued paper and enhance earnings and assets per share at the end of year one. The problem is that mature businesses (bricks and batteries to name but two) tend to stay mature, so the acquirer has to buy more — and bigger — businesses in order to sustain the growth rating of the share price which makes the whole process possible in the first place.

The logical conclusion of this argument is that the likes of ICI must eventually be swallowed up if the momentum is to be sustained. But, long before that rather fanciful position is reached, the market may begin to have its doubts about the ability of a central management to control such disparate organisations and, more important, about the transfer of power in what are to some extent personal creations.

FINANCIAL TIMES (LEX) 22nd January 1985

The ones most likely to get bought are those where the incumbent management have already taken steps to sort things out, but the bidder has cottoned on before the shareholders, and grabs it on the cheap.

Ali too often the victims are subsequently starved of the cash they need to grow because management is pre-occupied with trying to pay the interest bills or sort out a company it does not understand. So research gets cut, marketing gets trimmed and the company as a whole is weakened.

But in too many cases today's big deals are far too much about making money, and not at all about making things.

LONDON STANDARD 13th February 1986

Obviously Lord Hanson will produce counter arguments in an attempt to refute these searing criticisms, he has no option but to do so quickly in case the idea really gets round that "the Emperor is wearing no clothes."

GLASGOW HERALD 11th February 1986

Walk on the water.

Now, though, he may have grown too big for there to be many worthwhile acquisitions left, at least in the UK. And his share price has been sagging.

- DAILY MAIL 17th January 1986

THE case against Hanson Trust is a strong one. In the past year, the shares have gone nowhere in a strongly rising market.

Longer term, it must be admitted that the policy of growth by acquisition is suspect Hanson has to convince a doubting market that it can also generate growth without takeovers.

DAILY TELEGRAPH 27th January 1986 Rightly or wrongly, Hanson Trust is perceived by the financial markets as a bicycle that has to be pedalled hard to stop wobbling.

Equally, it is still perfectly legitimate to have doubts about Hanson Trust's ability to maintain growth by acquisitions on this sort of scale.

GUARDIAN 8th January 1986

Hanson Trust. (We'll leave it to others to make the cutting remarks.)

HAPERIAL GROUP

Canadian Imperial Bank of Commerce (A Canadian Chartered Bank)

U.S. \$150,000,000

Floating Rate Deposit Notes Due 1996

In accordance with the provisions of the Notes, notice is hereby given, that for the Interest Period from November 29, 1985 to February 28, 1986, the rate for the final Interest Sub-period from February 27, 1986 to February 28, 1986, has been determined at 7% % per annum, and therefore the amount of interest payable against Coupon No. 6, or per US\$10,000 nominal in registered form, on the relevant interest payment data February 28, 1986, will be US\$203.75.

The Chase Manhattan Bank, N.A., London, Agent Bank February 27, 1986



Legal Notices

No. 008626 of 1986 IN THE HIGH COURT OF JUSTICE THANCERY DIVISION MR JUSTIFE HARMAN IN THE MATTER OF RILEY LEISURE PLC AND IN THE MATTER OF THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice (Chancery Ordeion) dated 10th Feb-ruery 1985 confirming the reduction I the Shom Promium Account of tho obove-nomed Company £4,484,939.19 to £2,580,581.19 registered by the Registrar of Com-ponies on 17th Fobruary 1986. eted this 27th day of February 1986 SIMMONS & SIMMONS, 14 Cominion Street. London EF2M 2RJ.

NOTIFE IS HEREBY GIVEN pumuant to Section 588 of the Compenies Act. 1985, that o Meeting of the creditor of Thorton Engineering (Ellesmore Port) Limited, will be held at the offices of Leonard Curtis & Partnom, 45, Rodoney Street, Liverpool, L1 9AA, on Themdoy the 5th day of March 1986 at 11,30 citock in the forenoon, for the purposes provided for in Sections 589 and 590.

Oated the 19th day of Fabruary 1988.

the 19th day of Fabruary 1986. P. SWIFT.

ORRETTO SERVICES LIMITED

NOTIFE IS HEREBY GIVEN persuant to Section 588 of the Companies Act 1965, that a Meeding of the credition of Oriotto Services Limited, T/A Thom ol Orrotto Savicas Limited, T/A Thom-ten Engineering, will be held at the offices of Leonard Curtis & Partners, 48. Rodney Street, Liverpool 1.1 SAA. on Themday Iho 6th day of March 1985 at 12 o'clock Meddey, for the purpose provided for in Sections 588 and 590. Osted the 18th day of Pabruery 1988. P. SWIFT. Oimctor.

THE FINANCIAL TIMES

is proposing to publish a Survey on

GHANA

on Monday May 19 1986 Advertising copy date for this Survey is Monday April 21 1986 For further information please contact; Hugh Sutton, Area Manager — Africa Financial Times, Bracken House 10 Cannon Street, London ECAP 4BY

Tel: 01-248 8000 ext. 3238 Telex: 885033

UK COMPANIES

Victor Products recovers to make £0.5m in first half

THE ENDING of the miners' strike has enabled Victor Products to reverse the midway £1m swing into loss experienced in 1984. For the six months ended October 31 1985 the group bas turned in a profit £516,000, rom-pared with a loss of £549,000, and the interim dividend is raised from 1.6p to 1.75p net per share. from 1.6p to 1.75p net per share. The directors say the company is recovering well from its problems. They feel, at this stage, there is no reason why the second half should not produce a "somewhat better" result than that now published, although the full year will not approach the record £1.8m of 1982-83.

In the last quarter of the year

accelerating rate of order input from the NCB, and the company is currently working considerable overtime to keep up with the immediate demand from this This pressure is not expected to last into the next financial year and the directors continue with their efforts to ensure that 1982-83.

In the last quarter of the year to April 30 1985 the group returned to the black—the strike ended only seven weeks prior to the year-end—and finished with a loss of £670,000 (profit £1.11m) hut held the dividend at £60.

husiness from other customers is fostered—the group also serves the oil and petrochemical

One reason for the slow down in the rate of loss was surcess in broadening the group's activi-ties, with the eim of lessening

its dependence on NCB work. However, in the 1985 half year

It was difficult to carry through this policy as there was an

Turnover in the 1985 half rose from £6.85m to £9.58m. Tax takes £206,000 (£104,000) to leave earnings at 3.6p per share (loss 9p).

£5m sought under BES to set up fashion store chain

First Retail Stores is asking investors for £5m under the Business Expansion Srbeme to establish a chain of fashion stops, initially operating as franchisees for Stefanel.

The issue, sponsored hy Robert Fraser, will release up to 5m ordinary shares at £1 each. The minimum issue of £504,000 has heen secured by a subscription expension of £504,000 has heen secured by a subscription expension of £504,000 has heen secured by a subscription expension of £504,000 has heen secured by a subscription of £504,000 has here for £504,000 has here for

Once the company is established, the directors will consider diversifying into other areas as fashion franchisees and eventually to launch their own retail chain.

The issue will open on March 5 and will colse on April 2 thereby ensuring that investors can claim

minimum issue of £504,000 has heen secured by a subscription of £140,000 from the founding directors and £364,000 underwritten by the sponsors.

The company plans to acquire a rhain of long leasehold shops with sales areas of betweeo 500 and 3,000 sq ft, primarily in south-east England. It alreedy has a preliminary franrhise agreement with Stefenal, which manufactures colour co-ordinated

BOARD MEETINGS

(Deutschland) GmbH

1	IODAY
ł	Interims; AAH, emcken Mines, Cope
ı	Allman International, FII Groep, Kin-
ı	ross Mineo. Leleero Investments, Lealle
ı	Gold Minas, Madminster, Unisal Gold
ł	Mines, Winkolhosk Mines.
ı	Finele: A.C. Cars. Channel (slands
ı	and letemational investment Trust.
ı	T. Cowie, Good Relations, Imperiol
Į	Chemical Industries, W. and R. Jacob.
1	Jabsens Drilling, Pacific Assets Trust,
ı	Ratchiffs (Great Gridge), River Plate and
ı	General Investment Trust Royal Insur-
ı	once, Scottish Eastern Investment
ı	Truet, SKF, Woodhouse and Rixoon.
•	1100C 2VL 4400GH0030 BHG INVOVE

•	Interims—	
•	Industrial Finance and Invest.	Mar 3
	Kant (John)	Feb 28
	Process Systems	
	Antofagasta	Mar 10
N	Heywood Williams	Mor 5
•	Laidlew Thomson	Mer 10
ï	Noble and Lund	Feb 28
•	VG Instruments	Mer 25
t	Wilkes (Jomes)	Wat 6

This advertisement appears as a matter of record only.

New Issue February 1986

Deutsche Bank Finance N.V.

Curação, Netherlands Antilles

DM 710,000,000 61/4% Deutsche Mark Bonds due 1996

with an undertaking by

Deutsche Bank Aktiengesellschaft, Frankfurt to ensure payments of principal and interest and

with Warrants attached issued by Deutsche Bank AG to subscribe to 994,000 Bearer Shares of

Deutsche Bank

Aktiengesellschaft

at the Subscription Price of DM 793 per Share of DM 50 par Value each

	Deutsche Bank Aktiengesellschaft	
Bayerischa Vereinsbank Aktengosellschaft	Commerzbank Aktiongesellschaft	CSFB-Effectenbank AG
Dresdner Bank Autongesellschaft	Swiss Bank Corporation International Limited	Union Bank of Switzerland (Securities) Limited
Algemene Bank Nederland N.V.	Banca Commerciale Italiana	Bank of Tokyo (Dautschland) Aktiengeselischeft
Bankars Trust GmbH	Banque Nationala de Paris	Banque Paribas Capital Markets
Bayerische Landesbank Girozentrale	Berliner Handels- und Frankfurter Bank	Creditanstalt-Bankverein
Daiwa Europe (Deutschland) GmbH	DG Bank Deutsche Genomenschaftsbank	EBC Amro Bank
Generale Bank	Goldman Sachs International Corp.	Industriebank von Japan (Deutschland) Aktiengesellschaft
Merrill Lynch International & Co.	Mitsubishi Finance International Limited	Morgan Grenfell & Co.
Morgan Guaranty GmbH	Morgan Stanley International	The Nikko Securities Co., (Deutschland) GmbH
Nomura Europe GmbH	Orion Royal Bank Limited	Salomon Brothers International Limited
Société Générale	Swiss Volksbank	S. G. Warburg & Co. Ltd.
Westdautsche Landesbank	Wood Gundy Inc.	Yamaichi International

CONTRACTS

£7m orders for Tarmac

Office refitting contracts worth more than £4m have been

more than fam have been awarded to companies within the KYLE STEWART GROUP. At Billiter Street in the City of London, Kyle Stewart Special Works start a £2.4m fitting-out later this month for Standard Chartered Bank on five floors of an eight-storey office huilding. The contract includes extensive mechanical and electrical work, new raised floors and suspended cellings, and fitting-out of a dealing suite, including a fully-integrated electrical system. Work is due for completion in the summer. The company is also fitting-out a new data centre for Citibank Savings at King Street, Hammersmith, under a £1m contract due for completion in the spring. Existing offices

film contract due for completion in the spring. Existing offices are being stripped out and new floors, ceilings and services are being installed. In Cosham, near Portsmouth, Hants, Kyle Stewart Management Contracting is due to start work soon on a 70-week film received refer to project for

to start work soom on a 70-week film repair and refit project for IBM. It involves up-grading an award-winning 1970s-huilt office and research facility of 10,000 sq m, with phased-handovers while the building remains occupied by IBM staff.

Contracts worth ovar £1.8m to build 44 car-phone radio stations in northern England and Scotland have been signed between Racal Vodafone and SHEPHERD CONSTRUCTION. The construction programme will increase Vodafone's number of hase stations from 125 to 200, extending the direct-dial mobile phone communications network to cover 80 per cent of Britain's population by the end of 1986. The hases will be built on siles following the M1 and A1 from Nottinghamshire to Edinburgh and on to Aberdeen; beside the M62 Hull to Liverpool motorway:

M62 Hull to Liverpool motorway; and along the M6 and A74 route between North West England and Scotland.

RANSOMES & RAPIER, Ipswich,

Walking

dragline

order

Projects together worth over 157m have been awarded to TARMAC CONSTRUCTION. One of the largest, at more than £1.8m, is for modernising 116 homes at Donnington, Shrupshire, for the Property Services Agenry. Other contracts include a single-storey warehouse, offices and external works at Blyth Valley, Northumberland, for Shulton (Great Britain) at £1.2m; and removating and refurbishing premises in Phillimore Gardens, W8, for Glalth Securities at £1m. Further projects are a retail store at Halesowen, West Midlands, for A. and J. Mucklow and Co (£891,000); an access media over the steel framed and reinforced concrete multi-storey car park. The developer is Town and City Properties (Development). owen, West Midlands, for A. and J. Mucklow and Go (£891,000); an access road and car park at Chester-le-Street, for Durham County Council (£361,000); and improvements to 80 system-built homes for Wrexham Borough Counril (£239,000). Tarmac Refurb, the refurhishment specialist company, has a £361,000 contract to form a mentally handicapped unit at Cape Hill, Smethwick, for Sandwell Health Authority. Roofing contractors Briggs Amasco have woo two contracts in Scotland, together worth about £1.25m. In Edinburch, the company has an £850,000 romtract to reroof the Royal Commonwealth Pool, Royal Commonwealth Pool, while at Porthleven, the company will roof an ASDA super-store for about £330,000.

store for about £330,000.

Building contracts in the north west together worth £4.7m have been won by UNIT CONSTRUCTION COMPANY. Liverpool, a member of the Mowlem groun. Work is due to start next month on a £1.66m contract which is part of Liverpool City Council's municipal bousing scheme. Unit is to huild 69 one and two-storey homes, together with ancillary works. at Christian St, Liverpool 3. Campletion is due in autumn 1987. Construction has started, at Silkstone St, St Heleos, on a £1.55m contract for Merseyside Improved Houses. The work comprises 65 new bomes, including accommodation for disabled persons. An old minesbaft and two coal-faces are being filled nrior to foundations being laid. Comuletion is due in autumn 1987. At Callands 7, Warrington, Unit Construction has heen awarded a design-and-build contract hy Warrington and Runcorn Development Corporation for 32 homes for the elderly, together with warden's accommodation. Valued at £684,000, the contract is due for completion in the summer. For the Liverpool Health Authority £634.000. the contract is due for completion in the summer. For the Liverpool Health Authority the company is demolishing buildings and erecting a single-storey structure to provide a 25-place geriatrir day hospital at Sefton General Hospital, Liverpool. Valued at £496.000, the contract is due for completion by the end of the year. At the Halifax Building Society's Allerton Rd hranch, Liverpool, Unit is undertaking a £265.000 contract comprising alterations to ground, first and second floors of the branch office, together with the ground floor of the adjacent premises to form larger offices.

RANSOMES & RAPIER, Ipswich, a subsidiary of Central and Sheerwood, has an order from India valued et £4.4m. The major Item is a Rapier W2000 walking dragline worth £3.1m for the Heavy Engineering Corporation of Ranchi. This machine is the ninth to be ordered from Ransomes & Rapier as part of a collaboration agreement between SULZER BROS (UK). Farn-borough, has been awarded a contract worth over £1.5m, for installing building services al

contract worth over £1.5m, for installing building services all BOC's new development and executive ceutre in Guildford. The contract was awarded by Taylor Woodrow which has the design and management contract for the project.

The first of an independent group of distinctive town-house botels is to be constructed in Wortester by FAIRCLOUGH BUILDING. On a £1.3m contract from the recently formed Fownes Hotels group, the company is to convert and extend a former glove factory to create a three-star 61-bedroom hotel with conference and leisure facilities. Based on two Victorian huildings in City Walls Rd, the premises will be extended and refurbished, with The first of an independent group of distinctive town-house hotels is to be constructed in Worcester by FAIRCLOUGH BUILDING. On a £1.3m contrart from the recently formed Fownes Hotels group, the company is to convert and extend a former glove factory to create a three-star 61-bedroom hotel with conference and leisure facilities. Based on two Victorian huildings in City Walls Rd, the premises will be extended and refurbished, with inner courtyards and gardens, in a period setting appropriate to the city ceutre area. Involving an overall investment of £2.25m, the botel should be ready for service by the end of 1986. Further similar hotels, possibly up to 12, are planned for other locations throughout the UK.

Monitoring foreign broadcasts

HONEYWELL has been awarded a contract for computer systems to enable the BBC Monitoring Service to collect, control and edit the text of monitored broadcasts from reception through to publication. The contract, valued at around £3m, is part of a £15m programme funded by the Foreign & Commonwealth Office to modernise the facilities at the Caversham headquarters of the BBC Monitoring Service. Delivery is scheduled for November 1987. The new system will be based on a configuration of two Honeywell DPS \$/49C large computers with 32 Mb of memory, running the CP-6 operating system. The system will provide a 24-hour HONEYWELL has been awarded the CP-6 operating system. The system will provide a 24-hour 7-day/week operation. It will capture "text" received in both the listening room and radio/telegraphy sections and handle the processing of the information through to publication.

BALFOUR BEATTY CONSTRUC-TION has been awarded a £2.91m design and huild contract by Black and Derker et Spennymoor, County Durham. The building will house the eastern hemisphere accessory division. The cooversion of the new premises will eventually provide the client will eventually provide the client with 18,000 sq ft of office space, on two floors and 100,000 sq ft of warehousing. The contract comprises demolition and alteration works with a schedule which will result in a two stage handover by Balfors Beatty. The warehouse and racking system, together with access roads and loading dock facilities must be finished by the end of May to allow the client to take possession.

JOHN LAING CONSTRUCTION

Financial Times Thursday February 27 1986

THIS NOTICE DOES NOT CONSTITUTE AN OFFER FOR SALE AND THE STOCK DESCRIBED BELOW IS NOT AVAILABLE FOR FURCHASE DIRECT FROM THE BANK OF ENGLAND. OFFICIAL DEALINGS IN THE STOCK ON THE STOCK EXCHANGE ARE EXPECTED TO COMMENCE ON THURSDAY, 27TH FEBRUARY 1986.

PARTICULARS OF AN ISSUE OF £800,000,000 9½ per cent CONVERSION STOCK,

SCHEDULE OF PAYMENTS:

mint payable on Monday, 28th April 1966

unt payable on Monday, 2nd Juna 1986

2005

£20,00 per cent £40,00 per cent £36.50 per cent

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Nestri

INTEREST PAYABLE HALF-YEARLY ON 18th APRIL AND 18th OCTOBER This Stock is an investment falling within Part II of the First Schedule to the Trustee Investments Act 1961. Application has been made to the Council of The Stock Exchange for the Stock to he admitted to the Official List.

Schedule to the Trustee Investments Act Exchange for the has been made to the Council of The Stock Exchange for the Stock to he admitted to the Oficial List.

The whole of the Stock has been issued to the Bank of England on 25th February 1986 at a price of £96.50 per cent. The amount payable on 28th April 1986 will he £40.00 per cent and the payable on 28th April 1986 will he £40.00 per cent and the amount payable on 28th April 1986 will be £96.50 per cent. The principal of and interest on the Stock will be a charge on the National Loans Fund, with recourse to the Consolidated Fund of the United Kingdom.

The Stock will be registered at the Bank of England or at the Bank of Ireland, Belfast, and will be transferable, in multiples of one penny, hy instrument in writing in accordance with the Stock Transfer Act 1963. Stock registered at the Bank of England beld for the account of members of the Central Gilts Office Service will also be transferable, in multiples of one penny, by exempt transfer in accordance with the Stock Transfer Act 1982 and the relevant subordinate legislation; Transfers will be free of stamp duty.

Interest will be payable half-yearly on 18th April and 18th October. Income tax will be deducted from payments of more than 55 per annum. Interest warrants will be transmitted by post. The first interest payment will be due on 18th October 1986 at the rate of £4.4927 per £100 of the Stock. Until payment in full has been made and a completed registration form submitted to the Bank of England, the Stock will be represented by letters of allotment.

Payment in full may be made at any time prior to 2nd June 1986 but no discount will he allowed on such payment. Interest may be charged on a day-to-day basis on any overdue amount which may be accepted at a rate equal to the Loudon inter-Bank Offered Rate for seven day deposits in sterling ("LIBOR") plus 1 per cent per annum. Such rate will be determined by the Bank of England hy reference to market quotations, on the due date for the relevant payment, fo

of such Stock liable to carrellation and any amount previously paid liable to forfelture.

Letters of allotment may be split into denominations of multiples of £100 on written request received by the Bank of England, New Issues, Watling Street, Loudon EC4M 9AA on any date not later than 29th May 1986. Such requests must be signed and must be accompanied by the letters of allotment (but a letter cannot be split if any payment is overdue). Letters of allotment must be surrendered for registration, accompanied by a completed registration form, when the final instalment is paid, unless payment in full has been made hefore the due date, in which case they must be surrendered for registration not later than 2nd June 1986.

Until the close of husiness on 15th September 1986, Stock issued in accordance with this prospectus will be known as 9½ per cent Conversion Stock, 2005 "A". The interest due on 18th October 1986 will be paid separately on holdings of the existing 9½ per cent Conversion Stock, 2005 and on holdings of "A" Stock as at the close of business on 15th September 1986; consequently, interest mandates, authorities for income tax

"A" Stock as at the close of business on 15th September 1936; consequently, interest mandates, authorities for income tax exemption and other notifications recorded in respect of holdings of existing Stock will not be epplied to the payment of interest due on 18th October 1986 on holdings of "A" Stock. The last date for lodgement at the Bank of Englend of transfers for registration as "A" Stock will be 11th September 1986. After this date for purposes of certification, the "A"

transfers for registration as "A" Stock will be 11th September 1986. After this date, for purposes of certification, the "A" Stock will not be distinguished from the existing 91 per cent Conversion Stock, 2005. From the opening of business on 16th September 1986, the "A" Stock will be smalgamated with the existing Stock.

Coples of this notice may be obtained at the Bank of England, New Issues, Walling Street, London-EC4M 9AA, on at any of the Branches of the Bank of England, or at the Glasgow Agency of the Bank of England, 25 St. Vmcent Place, Glasgow G1 2EB; at the Bank of Ireland, Moyne Buildings, 1st Floor, 20 Callender Street, Beifast BT1 5BN; at Mullens & Co., 15 Moorgate, London EC2R 6AN; or at any office of The Stock Exchange in the United Kingdom. Concrament statement

Attention is drawn to the statement issued by Her Majesty's Attention is drawn to the statement issued by Her Majesty's Treasury on 29th May 1985 which explained that, in the interest of the orderly conduct of fiscal policy, neither Her Majesty's Government nor the Bank of England or their respective servants or agents undertake to disclose tax changes decided on hut not yet announced, even where they may specifically affect the terms on which, or the conditions under which, this Stock is issued or sold by or on hehalf of the Government or the Bank; that no responsibility can therefore be accepted for any omission to make such disclosers, and that such omission shall neither render any transaction liable to he set aside nor give rise to any claim for compensation.

BANK OF ENGLAND BANK OF ENGLAND LONDON

25th February 1986

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange

HAMPTON TRUST PLC (Incorporated in Scotland under the Companies Acts 1908 to 1917 — No. 13187)

Placing of £11,000,000 111/2 per cent. First Mortgage Debenture Stock 2025 at £99.11 per cent., payable in full on acceptance

Application has been made to the Council of The Stock Exchange for the whole of the Stock to be admitted to the Official List. In accordance with the requirements of the Council of The Stock Exchange, £1,100,000 nominal of the Stock is available in the market today.

The Stock being issued will rank pari passu and forms a single series (save only for the first payment of interest thereou) with the £10,000,000 11½ per cent. First Mortgage Debenture Stock 2025 of Hampton Trust PLC constituted and secured by a Trust Deed dated 18th October, 1985.

Listing particulars of the Stock will be circulated in the Extel Statistical Services and copies of the listing particulars may be obtained during usual business hours on any weekday, except Saturdays and public holidays, up to and including 12th March, 1986

Hampton Trust PLC, 76 Gloucester Place, London W1H 4AU

Barclays Merchant Bank Limited, Ebbgate House, 2 Swan Lane, London EC4R 3TS

de Zoete & Bevan, 25 Finsbury Circus London EC2M 7EE

Copies of the listing particulars will also be available until 3rd March, 1986 from the Company Announcements Office, The Stock Exchange, London EC2P 2BT. 27th February, 1986.

RESIDENT ABROAD

Resident Abroad, published by Financial Times Business Information, is Britain's monthly magazine for people living or working overseas. It informs and advises on all aspects of finance and business, with articles on UK and foreign investment, property, pensions, taxation and insurance. It entertains and informs on matters of health, education, travel and leisure - all of this every month.

Tens of thousands of expatriates around the world already benefit from this magazine — ask yourself if you can afford not to join them. For subscription details and a free copy of the latest issue contact:

Janice Liverseidge on 01-405 6969 or telex 883694 ICLDN G

UK COMPANY NEWS

Eleco's profits surge 25% and orders hold up well

GROWTH at Elece Holdings has continued in the 1985-86 year with profits up by 25 per cent at the six months stage.

Furthermore, order books in all sections are bolding up well and the directors are looking for a very satisfactory full year.

Turnover for the opening balf (to December) increased by 51 per cent to £1£.88m and et the pre-tax levet profits pushed ahead from £810,000 to £1.01m

Electo's interests are in con-Eleco's interests are in con-truction, engineering and

property.

The interim dividend is being brought more into line with the final and is being lifted by 50 per cent to 1.5p net per 10p share.

The engineering division is now centralising its total light-

Good August

helps Isotron

progressed well.

He says the company had a particularly good Angust, normally a month of low activity, with the effect that the first half of this year will probably account

to £729,000

the future. the future.

The property company is nearing the end of its land bank with the exception of a site for major project at Littlehampton, Sussex. Action will be taken in the near future to provide continuity to property development. In the meantime it is pointed not that annualised gross rental income now exceeds £1.2m.

The year to end-June 1985 saw pre-tax profits rise from £1.76m to a record £2.2m. The results reflected the measures taken in restructuring group manage-

Last month Eleco announced that it bad sold its Composite Structures subsidiary to its

BVI continues growth trend with 45% rise

SECOND - HALF profits of \$2545,000 bave been earned by British Vending Industries to give a record £852,000 for 1985, an advance of £265,000, or 45 percent, over the previous year.

As promised in the interim stetement, shareholders receive a higher dividend. On capital increased by last July's one-for four rights issue (raising some £940,000 net), the final payment is 0.81p for a net total of L4p, against 1.05p.

The directors say the results further coosolidate the group's growth profile. The current year bas started well and they are confident that the trading of 5.57p (5.86p) per share. In its first interim report as a public company, Isotron amounces a 56 per cent advance in pre-tax profits from £468,000 to £729,000. to £723,000.

The company, which provides the only independent gamma radiation service in the UK, lifted turnover by 25 per cent to £1.53m and operating profit by 37 per cent to £602,000 in the six months ended December 31 1985. Interest receivable was np from £29,000 to £127,000 reflecting interest on each raised by last July's flotation.

Olives Paper Mill halves losses

Mr Colin Clive, chairman, says although revenue from the processing of insulated electrical wire did come up to expectations, all other business areas progressed well.

He says the company had a Olives Paper Mill virtually halved its pre-tax losses in 1985, but there was continued pressure on paper prices and margins particularly in the second half,

for a higher proportion of annual operating profits than last year, when the total was £1.05m. directors say. On turnover ahead from the loss per 20p share emerged higher at 2.35p (2.19p).

Substantial fluctuations in both The company continues to grow and a further advance is anticipated in the second balt.

are blamed by the directors for the difficult conditions. Woodpulp is again increasing in price, they say, and this, coupled with cost increases in other raw materials, wages and services, will mean an increase services, will mean an increase in paper prices

The company continues to grow and a further advance is anticipated in the second balf. Benefit is expected this year from a substantially lower tax rate and the interim provision reflects this, amounting to £78,000 (£222,000). This leaves carnings at 3.9p (2.1p) and an interim dividend of 0.5p is declared.

E8.14m to £8.73m, the loss before tax amounted to £740,000 against £140,000 previously, but after a tax credit of £79,000 last time tax credit of £79,000 last time operating efficiency of the mill and during the last quarter of the year was trading profitably, the directors add. However, as so m uch depends on the stericarnings at 3.9p (2.1p) and an interim dividend of 0.5p is declared.

NOTICE OF EARLY REDEMPTION **₼ National Westminster Bank PLC**

US \$100,000,000 Floating Rate Capital Notes 1994

NOTICE IS HERERY GIVEN that, pursuant to the Paying Agency Agreement dated 11th July, 1979 between National Westminster Bank PLC (the "Bank") and Morgan Guaranty Trust Company of New York as Principal Paying Agent and the Paying Agents therein defined, a Trust Deed dated 11th July 1979 between the Bank and The Law Debenture Corporation p.i.e., as trustee, under which the Bank issued its US \$100,000,000 Floating Aste Capital Notes 1994 (the "Notes") and the terms and conditions of the Notes, the Bank has elected to and shall redeem on 16th April 1986 (the "Redemption Date") all of the outstanding Notes at a redemption price of 100% of the principal amount thereof (the "Redemption Price"), together with the accused interest to the Redemption Date.

The Notes shall become due and payable on the Redemption Date at the Redemption Price

The Notes shall become due and payable so the Redemption Date at the Redemption Price which shall be paid upon presentation and surrender of the Notes at the offices of the Paying

The coopons for interest doe on or before 16th April 1986 should be detached and should be collected in the usual manner. All coupons appertaining to the Notes unmatured on the Redemption Date shall become void and oo payment shall be made in respect thereof, and Noteholders are requested to surrender such coupons with the Notes. The Notes will no longer be outstanding after the Redemption Date and will be cancelled.

Payments at the office of any Paying Agent outside the United States will be made by United States dollar check drawn on, or transfer to a United States dollar account with, o bank in New York City. Any payment made by transfer to an account maintained by the payer with a bank in the United States may be subject to reporting to the United States Internal Revenue Services ("IRS") and to backup withholding at a rate of 20% if payers not recognized as exempt recipients fail to provide the paying agent with an executed IRS Form W-8, certifying under penaltics of perjury that the payer is not a United States person, accuted IRS Form W-9, certifying under penaltics of perjury the payer's taxpayer identification comber (employer identification number or social security number, as appropriate). Those holders who are required to provide their correct taxpayer identification comber on IRS Form W-9 and who fail to do so may also be subject to a penalty of \$50. Please therefore provide the appropriate certification when presenting your securities for payment.

PAYING AGENTS

Morgan Guaranty Trust Company of New York 30 West Broadway New York, New York 1001S Corporate Trust Department

Morgan Guaranty Trust Company of New York
Mainzer Landstrasso 46
6000 Frankfurt-am-Main

Morgan Guaranty Trust Company of New York 14 Place Vendome 75001 Paris, France Morgan Bank Nederland N.V. 12 Tesselschadestraat P.O. Box 154

rdam, Z., Holland

Morgan Guaranty Trust Company of New York Morgan House t Angel Court London ECZR 7AE England Morgan Guaranty Trust Company of New York Avenue des Arts 35 B-1040 Brussels, Belgium Caisse d'Epargne Da L'Etat arace de Metz Luxembourg, Luxembourg

HandelsBank N.W. Zurich, Switzerland

NATIONAL WESTMINSTER BANK PLC By: Morgan Guaranty Trust Company
or NEW YORK, Principal Paying Agent

February 27, 1986

ក្នុងស៊ីកណ្ឌងយាមកស៊ីស



U.S. \$100,000,000 **Neste Oy**

Floating Rate Notes Due 1994

In accordance with the provisions of the Nates, notice is hereby given that for the Interest Period from 27th February, 1986, to 27th August, 1986, the Rate of interest will be 81/16% per annum. The interest payable on the relevant Interest Payment Date, 27th August, 1986, will be U.S.\$405:36 for each U.S.\$10,000 principal amount of the Notes.

Agent Bank: Morgan Guaranty Trust Company of New York



European Investment Bank

US\$200,000,000 123/4% Bonds due 1st April, 1989

NOTICE IS HEREBY GIVEN that pursuant to the Terms and Conditions of the Bonds, EIB have elected to redeem all all the Bonds at their principal amount on the next interest payment date, 1 st April 1986, when interest on

the Bonds will cease to accrue.

Repayment of the principal will be made upon presentation and surrender of the Bonds, with all unmatured coupons attached, at the offices of any one of the Paying Agents mentioned thereon.

Coupon No. 5 which matures on 1st April 1986 should be detached and ented for payment in the normal manner.

Bankers Trust
Company London

28th February 1986

Agent Bank

Colonial lifts asset value

11% to 96p
FOREIGN and Colonial Investment Trust, Eritain's second largest investment trust, lifted net assets 11 per cent from 86.6p per 25p share to 96.5p for the year to December 31, 1983.

The recommended final

Foreign and

The recommended final dividend is 0.99p, making a total of 1.47p, a rise of 15 per cent on the adjusted 1.275p prid in 1984.

Net revenue rose 16 per cent to £8.03m, against £6.92m, and earnings per share rose from 1.3p to 1.51p. Mr John Sciater, the chair-

mar John Sciater, the char-man, said the company was looking for good markets in 1986 with steady growth in the world's major economies, low oil prices and falling interest raies. He said that during 1985 the number of private inves-

tors in the trust had risen because of the success of its Foreign and Colonial Savings Plan which allowed shares to be bought conveniently and cheaply.

The company said it invested an extra £22m in the US and £26m in Europe during the year. US dellar loans were increased, with borrowing reaching 25 per cent of net assets. The trust made significant profits on boldings of US and German government bonds.

comment

There is a saying in the City that investment trusts fare well fer four out of five years then falter in the fifth. 1985 was a "fifth" year for Foreign and Colonial. The first half was a disaster. The combination of a weak dollar, strong yen, the collapse of electronics and surge in consumer spending couldn't bave been worse for an investment trust which is strong on US domestics. Japanese blue chips and elec-tronics, and weak en consumer stocks. In the second baif all these factors second baif all these factors reversed and Foreign and Colonial reguloed lost ground to end the year with a respectable 11 per cent increase in net assets. Unfortunately for Foreign and Colonial, the City had hoped for more and the share price remained unchanged at 771m. The trust is already at 77 p. The trust is already strengthening its manage-ment company, diversifying inte unit trasts, Euro trusts, private business and pension fund management. But the City is searching for signs of a new, more dynamic direction. For years Foreign and Colonial has adopted the solid, sensible policy of taking small stakes in a wide range of interests, while its more dynamic competitors bave favoured substantial stakes in 1. few strategic areas and a more interventionist approach. The invest-ment trust sector is rippling with rumours of takeover blds. Thus far Foreign and Colonial's size and strength bave protected it, another weak year and it may look

Pilkington expands Pilkington expands
Pilkington Brothers has
paid £2.5m cash for Koolthem Insulation Products,
which is a major producer of
high performance rigid polyurethane insulating feams.
It is based in Glossop.
Derbyshire, employs about
150 people, and generates n
turnover of some £9m. The
current management team,
under chief executive Mr
John Whelan, will contioue to
run the company with the
present workforce.
Pilkington says this acquisition adds to its current protion adds to its current pro-duct areas, and broadens the scope of its insulation service.

ALERIGHT & WILSON, a wbollyowned subsidiary of the US
Tenneco group, raised turnover
to £642m (£569m) in 1985
Trading profits were £41.3m
(£41.4m). Capital expenditure
rose to £43m (£35m). The results
included two acquisitions bot
profits bere were offset by
currency translations. UK profits
were lower because adverse
exchange rates depressed margins. Largest profit contribution
came from North America.
Albright manufactures chemicais
and allied products.

This advertisement appears as e matter of record only.



Canada

U.S. \$ 1,000,000,000 9% Bearer Bonds of 1986/1996

Deutsche Bank Capital Markets

Credit Suisse First Boston

Orion Royal Bank

Wood Gundy Inc.

International Limited

Merrill Lynch International & Co. Morgan Stanley International Salomon Brothers

Swiss Bank Corporation

Banque Nationale de Paris **CIBC Limited Dominion Securities Pitfield EBC Amro Bank**

Morgan Guaranty Ltd

Banca Commerciale Italiana Bank für Gerneinwirtschaft Bank of Montreal

> Banque Générale du Luxembourg S.A. Banque de Neuflize, Schlumberger, N

Algemene Bank Nederland N.V.

Bell Gouinfock Cazenove & Co.

Crédit Commercial de França

Delbrück & Co.

DG Bank Deutsche Genor Enskilde Securities Skandinaviska Enskilde Limited

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Singer & Friedlander Limited Standard Chartered Merchant Bank

Union Bank of Switzerlend (Securities) Limited

Daiwa Europe Limited McLeod Young Weir International Limited

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Crédit Industrial d'Alsace et de Lorre

Genossenschaftliche Zentralbank AG

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Great Pacific Capital S.A.

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Dresdner Bank Aktiengesellschaft First Interstate Bank Girozentrale und Bank der österreichischen Sparkesser Aktiengesellschaft

sbank N.W. (Overse Hill Samuel & Co. Kidder, Peabody Internationa

Midland Doherty Morgan Granieli & Co. Limited The Niido Securities Co., (Europe) Ltd.

Richardson Greenshields of Canada (U.K.) Shearson Lehman Brothers Internationa

Société Générale Sumitomo Trust International Limited

M.M. Warburg-Bringlemann, Wirtz & Co. Yamaichi International (Europe) Limited

February 27, 1986

This announcement appears as a matter of record only



Japan Electronic Computer Company, Limited

DM 50,000,000 6% % Bonds due 1992 Private Placement

> guaranteed by The Fuji Bank, Limited

WESTDEUTSCHE LANDESBANK GIROZENTRALE

MITSUBISHI FINANCE INTERNATIONAL LIMITED

FUJI INTERNATIONAL FINANCE LIMITED

DAI-ICHI KANGYO INTERNATIONAL LIMITED

SUMITOMO FINANCE INTERNATIONAL

INDUSTRIEBANK VON JAPAN (DEJTSCHLAND) AKTIENGESELLSCHAFT

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MITSUBISHI TRUST & BANKING CORPORATION (EUROPE) S.A. SANWA INTERNATIONAL LIMITED

UNIT TRUST MARKETING

A recently established and rapidly expanding investment management group is seeking a highly experienced sales executive to market a range of unit trusts to intermediaries throughout the country.

In addition to considerable experience and a demonstrable track record in the sale of financial products, the ideal candidate should have a clear understanding of global investment markets.

The funds are targeted at the more sophisticated intermediary and investor, and the personality of the individual must reflect the fund manager's outstanding investment credentials.

An attractive salary and benefits package will be available. Please apply with full CV to Box No. A0064 Financial Times, 10 Cannon Street, London EC4P 4BY.

AVIATION

Markatieg Director soeght for two-yeer-old Aviation Brokerage/Supply company which specialized in commercial/general aviation brokerage and makes a two-way market in commercial/general/military eviation spaces as Evrope, North Amorica, and the Third World. Company le a subsidiary of one of the world's leading laterastical lavastmeet and merchest canking groups, provides diversitied sorvices including braking, trada hazacing, saport trading and advisory services.

Applicants should have 16-15 years of relevant cales and merketing experiences in the aviation indentry, and a proven record of dynamic performence. Freach end/or Portuguese langeage skille highly distrible. UK base. Companisation commensurate with experience and excellent incontrol bonuses paid for successful performence. Planse send detailed CV in combeduce to CEO. 111 Chetter Oak Aveeue, Hertford, Connecticut 06106 U.S.A., Attantica: Joyce Williams.

Appointments Wanted

A.0068, Financial Times.

Société Générale, a leading International Bank, is currently seeking experienced dealers to join its busy dealing room. These are positions which have arisen through the continuing expansion of the Bank's trading activities. The successful candidates will join existing teams at the Bank's superbly appointed prestigious U.K. Head Office in the heart of the City.

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Lorporate Dealer

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leliliex Building Society is seeking to develop further its market planning function based at Head Office in Halifax.

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To apply please send a full c.v. marked "Private" to: General Manager Personnel & Services, Halifax Building Society, PO Box 60, Trinity Road, Halifax HX1 2RG.

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TUNISIA

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Appointments Wanted

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TECHNOLOGY

Apricot integrates up-market attack

APRICOT Computer, the UR microcomputer manufacturer, this week launched a novel computer system which it believes gives it the opportunity to compete in mini md main-frame markets. Called the Aproot XEN

Multi-user system, i comprises a small computer based on Intel's most powerful micro-processor chip, the 286, together with intelligent workstations and a local area network mak-ing it possible to connect up



60 workstations to a single EN computer, the workstations can be Airicot XENs, IBM PC or PC clores.

The machine is i distributed processing system The XEN computer is described as a file server, a machine whose function is to manage files and dis-tribute information to the worktribute informatios to the workstations on the nework.
Working under the DOS
operating system, the workstations are likely to be Apricot's
diskless intelligent units. The
XEN can also serve as e host of
the Xenix operating system,
when dumb terminals could be

Figures published this week by Apricot suggest that e four user system withtwo megabytes of storage and 12 megabytes of storage and 12 megabytes of tape back-up will cost £11,341 against £15,42; for an Altos multi-user system of inferior specification.

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specification.
Measured gainst e Digital £32,800, the pricot system for eight users losts £17,790. Roger Forer, Apricot group chief executive says it is the first time that data processing, word processing, graphics, telephone ind data communications has been successfully integrated into one affordable

Future enhancements include e gatewir to IBM token-ring local arts networks and Xenix Net, a new operating system which will allow a Xenix cluster to ran in the network.

definition of objectives agement in major new systems developments, where computer hardware and software has to

be integrated together to give a functioning whole, has ocquired increasing importance as public awareness of the con-sequences of poor system design and implementation has

Everyone is aware, for example, of the nonsenses which emanted from the Driver and Vehicle Licensing Centre in Swansea before the system there was properly commissioned. More recently, there has been the dreary tale of the Nimrod, the RAF's high altitude surveillance aircraft which

obstinately refuses to come in on time and under budget. The deficiencies in both these projects were highly publicised; what is iess well known is that most systems development programmes are notorious for their uncontroll-ability.

In a new management guide. a team from PA Consulting on the part of both customers Group says: "Cost and time and systems implementers to overruns of 100 per cent or realise the extent to which more are not uncommon, and system specific management

on a recent PA survey in the UK, over 65 per cent of projects were found to have seriously exceeded their hudgets."

"In addition, many projects fail to deliver the promised benefits and in some cases threaten the very survival of the sponsoring organisation."

There is a need for better project management

Success lies in clearer

the sponsoring organisation."
Why should this be so, and what can be done about it? The question is given added force by the number of very large

COMPUTING

computing projects in progress, the success or otherwise of

BY ALAN CANE

which will have e very direct effect on the public. These include everything from cashless shopping to the extra terrestrial; weapons envisaged for the US Strategic Defense Initiative.

Mr Paul Thornton, leader of the PA team argues that the nub of the problem is a failure

techniques have to be grafted onto the traditional methods of good project management found in, say, the construction industry. industry.

He identified three charac-

teristics peculiar to systems djevelopment projects. First, the pace of technologi-cal change. Perhaps the best example is the ambitious scheme to computerise the inland Revenue PAYE operations. The decision was taken to go ahead with the project in 1980 at which stage it was decided to instal computer terrors. decided to instal computer terminals in tax offices in the West Midlands connected by telephone lines to ICL's then

In 1983 this trial system went live and within a year it was decided to extend the system to the whole country. But in the three years since the project started, ICL had put a new big computer on the market the Series 39 or Estrielle, with improved price (hosting). vastly improved price/perform-

largest mainframe, the 2900

difficulty measuring progress on a pro-ject involving complex soft-ware systems. Given the com-life easier for fleet manage-

The Project Balance COMPANY OBJECTIVES BUSINESS NEEDS 9 9 9 6 PRODUCT OFFINITION TRIANGLE OF BALANCE

plexity of modern hardware and software it is virtually im-possible to show mathematically that any system is correct for all conditions in which it may

be used.

ment in the distributive trades ing a missile or laser bolt to ment in the distributive trades will be used in a slightly different way by each firm installing it. Inevitiably bugs (errors) undetected during quality control will show up when the system goes live. Sending a time truck to Luton rather than Manchester is one thing—sendwrong place is quite Third, quality control.

COST

major systems project may have a life of 15-20 years; in that time the hardware on which it runs will have gone through several generations and the

ale Electric of Great Britain Ltd, Electricity Buildings, Filey, Yorkshire YOM 9PJ. Tel: 6723 SMM Telex: 52163

functionality, the number of things the system is expected to do, may have increased

dramatically. Benks are e good example. They are now involved in the first major rewrite of their systems since the late 1960s. Yet in the next two decades they will have to cope with a whole raft of new services from cash machine networks to home hanking. The software must be robust enough to cope with all the necessary changes.

According to Paul Thornton, the bulk of the spending on such a project comes after implementation, not before. So customers will have to realise they are putting in systems on which they will be speading ever-increasing sums of money The diegram sets out the way

trade-offs have to be made between the cost, time and the final product. Software tools, pieces of software which make it easier to write other pieces of software, have e big part to play in successful project management but in the end well defined objectives and clear lines of responsibility are

The personal computer represents an ideal business tool for . . .

TIME

Smoothing middle management's route to the top

orthodox data processing (DP)

JONATHAN CHAPPLE is something of a gamekeeper turned poacher, a large computer user who got oway.
Formerly director of systems,
computing and communications for Hertz Europe, he is now going it alone with a self imposed mission to oct as a estalyst for the use of personal computers in business.

He combines vast enthusiasm for the personal com-puter as a business tool with a healthy disregard for many of the claims made by personal computer manufac-turers, attitudes developed nd reinforced by his experience at Hertz.

His first report* notes, for example: "People talk about

the state of the art as if it were e matter of fact. What matters is the state of the "useable art." This is what the corporate buyer percelves as an acceptable commercial support risk.

By this definition, the general purpose multi-user micro has not yet arrived in acceptable form even though multi-user products have been readily available from fringe suppliers for some time. The multi-user micro will bec an acceptable support risk for large companies in the second half of 1986."

He draws two principal con-clusions from his experience: First, that two computing in many large companies—the

culture and the new, alterna-tive culture based around the personal computer: "The orthodox computer person, DP-man, has never needed a screwdriver to do his job. He has never attached cables to components or fiddled around inside peripherals to con-figure them for his particular finds listform

installation. "But do-it-yourself is the first commandment for PCan, a new breed of specialist user / analyst / programmer technician which has been evolving for about five years." Mr Chapple sees substan-tial conflicts of interest between the two cultures,

amounting to an information

systems war.

The problem for management is to ensure that both cultures coexist sufficiently well for it to be able to exploit the virtues of each.

Second, Mr Chapple sees the principal role of the PC as a tool for use by middle management—the business planning department, for example—te boil down masses of indegistible data to provide simple, easily understood informetion for too management.

He does not believe that the PC, at least in its present form, is a tool for use by top management. He argues that improved communication between middle

management and top manage-

ment is the key to the success of the PC rather than improved office productivity.

In some cases, he says, introducing PCs may result in decreased productivity: "Man-agement approves of PCs because they increase top man-agement performance directly. The prime motivation is not increased office automation as some like to think.

Indeed, office productivity is actually declining in some areas because the proportion of management communication which bypasses the estab-lished office machine is on the increase."

*The Corporate PC: User perspectives and new market opportunities £95 01-870 0094.

Accountancy Appointments

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Jonathan Chapple has strong views on the benefits personal.

computers can bring to business.

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ment team and be responsible to the Managing Director for maintaining tight financial controls and information systems, including the upgrading of present existing computerised accounts, to exploit further profit and growth opportunities.

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leadership of some 40 staff. This highly-visible appointment will appeal to chartered accountants, probably aged over 30, who have a retailing background and sound experience of developing and installing computer-based

c.£23,000 + car

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to career development either within the company or elsewhere in the group.

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FIDELITY INTERNATIONAL FUND N.V.

Company Notices

Registered Office: Schottegatweg Oost, Salinja Curação, Netherlands Amilles Notice of Annual General Assembly of Shareholders

Please take notice that the Anotal General Assembly of Share-holders of Fidelity International Fund N.V. (the "Fund") will take place at 2:00 p.m. at Schottegarweg Oost, Salinja, Curação, Netherlands Antilles, on Thursday, March 20, 1966.

The following matters are on the agenda for this Assembly:

Thursday, March 20, 1960.

The following matters are on the agenda for this Assembly:
Report of Management.
Blection of six Managing Directors.
The Chairman of the Management proposes the reelection of the following six existing Managing Directors:
Edward C. Johnson 3d Hisashi Kurokawa
William L. Byrnes John M.S. Patton
Lames E. Tonner
Approval of the Balance Sheet and Profit and Loss Statement for the listal year ended November 30, 1985.
Ratification of actions taken by the Managing Directors since the last Annual General Assembly of Shareholders, including payment of interim dividends in respect of the fiscal year ended November 30, 1985 and in respect of the period from December 1, 1985 until the date the Fund is placed in liquidation, and authorisation of the Managing Directors to declare additional dividends in respect of those or any other fiscal periods in pecessary to enable the Fund to qualify for distributor status under United Kingdom tax law.
Ratification of actions taken by the Investment Manager since the last Annual General Assembly of Shareholders.
Proposal, recommended by Management, to adopt a Plan of Liquidation and Reorganization whereby the Fund shall be dissolved and liquidated as a Netherlands Antiller namnloce vennotischap and be reconstituted as a Laisembourg société d'investissement à capital variable ("Sicav").
Election of six Liquidators.
The Chairman of the Management proposes the election of the following individuals as Liquidators, in the event the Plan of Liquidation and Reorganization is approved.
Edward C. Johnson 3d Hisashi Kurokawa
John M.S. Patton
Luxembourg Sicav to be formed for the purpose of carrying on the besiness now conducted by the Fund, in furtherance of the proposed liquidation and approval of the execution and delivery by the Fund of a Subscription Agreement with Fidelity International Fund, a Luxembourg Sicav to be formed for the purpose of carrying on the business now conducted by the Fund, in furtherance of the proposed in order to earry out the intent and pur

Holders of registered shares may vote by proxy by mailing a form of my to the Fund at the following address: Fidelity International Fund N.V. c/o Maduro & Curiel's Trust Company N.V. P.O. Box 305

Proxy forms may be obtained from the Fund's Principal Office in Pembroke.
Bermuda, or from Fidelity International Management Limited in London, or from the banks listed below.

or from the banks listed below.

Holders of hearer shares may vote by proxy by depositing their shares with any of the organizations listed below and obtaining from such organization a form of proxy and certificate of deposit for their shares. The proxy and certificate of deposit for their shares. The proxy and certificate of deposit should be mailed to the address set forth above. Alternatively, holders of bearer shares wishing to exercise their rights personally at the Meeting may deposit their shares, or a certificate of deposit therefor, with the Fund at Schottegartweg Oost, Sellinja, Curaçao, Netherlands Antilles, against receipt therefor, which receipt will entitle said bearer shareholder to exercise such rights personally in the Meeting.

All proxies and certificates of deposit issued to bearer shareholders) must be received by the Fund not later than 1:00 P.M. un March 20, 1986, in order to be used at the Meeting.

By order of the Management Charles T.M. Collis Secretary February 25, 1986

Fidelity International Management Limited 25 Lovat Lane London EC3R 8LL, England

The Bank of Bermuda Limited Hamilton, Bermuda

Benk Julius Beer & Co. Bahahofstrasse 36 Zurich, Switzerland

career details and achievements to date, quoting ref. 417/30, to Alan C. Martin, Regional Director. "an equal opportunity vacancy"

Professional Personnel Consultants Limited, Godwin House, George Street, Huntingdon, Cambs PE18 5BU, Tel: Huntingdon (0480) 4111 11.



THE MANAGEMENT PAGE: Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

Public relations

Cracks appear in the image

Some consultants fear that the boom is over. David Churchill reports

THE PUBLIC relations consulbooming—but for how long? hecoming aware of the henefits of hiring image specialists to help with takeover bids, lobby MPs, support new product launches, communicate to employees and sbareholders, and generally raise the status of the corporate profile.

But, equally, a growing number of companies is becoming worried about the ability of PR companies to sustain an effective service. The key cause of concern is the dcarth of good quality staff needed to meet the growing demand in an industry

which is now generating total expenditure—both in-house and consultancy—of some £500m.

This manifests tiself in a number of ways. For example, a marketing director of one company which has recently parted expensive with its consultance. company which has revenue chairman of the Exter Commu-tancy points out: "We were tancy.

There is a variety of reasons very disappointed to find that we hardly ever saw the people who did the original presenta-tion and put forward such an attractive PR programme. In-stead, there was a steady break-down of communication between

How Nestle used PR

NESTLE, the multinational food processing group, has learned the hard way that effective planned public relations is an important part of corporate activities.

Late in 1984 a seven-year, worldwide boycott of its food products was called off after the company had finally communicated to its critics and the public at large that tts motives and methods of selling baby food to Third World countries were not

based on pure greed.
The boycott clearly demonstrated how problems can get out of control without effective PR. "The primary lesson of the infant formula controversy is that in a complex world in which many issues can become catalysts of political and social conflict, no company

A number of major PR the economic downturn in the accounts, moreover, have changed hands in recent months especially in the competitive retail sector. Woolworth, for example, took its £200,000 account from Lopex to Paragon PR, while rival High Street chain Littlewoods is parting company from Good Relations and is currently looking for a

new consultancy.
Some consultancies are also beginning to be worried that the PR "bubble" may be about

to hurst.
"Just when there seems a real chance of hurying the O'Booze imege of PR heckdom and securing that giddy goal of being judged an essential discipline, too many practitioners appear to be cutting corners, settling for superficial solutions to gurent needs and setting the to current needs and setting the scene for an erosion of stan-dards," asserts Frank Barnard,

for the current unease among consultancies and clients about perhaps the main one is simply that PR has grown so far and so fast in the 1980s.

Unlike previous recessions,

can afford to be without an effectiva public relations eapability," asserts Rafael Pagan, president of Nestla's eo-ordination centre for nntrition. Pagan, quoted in the letest issue of the Institute of Public Relations journal, was belatedly recruited by Nestle in 1981 to employ public retations techniques to end the baby

Nestle's problems started in 1970 when it was claimed—totally nufairly, says Nestle —that the company's aggressive marketing tactics for baby food mixes in developing countries was responsible for a sharp decline in breastfeeding in poor countries, with subsequent high rates of infant mortality.

The issue gained ground during the 1970s. Nestle, hawto give any credence to its critics' claims. Bot it dld significantly lessen its consumer advertising in poor countries —yet failed to take any credit for its actions.

early 1980s did not bamper PR'a growth hut actively encouraged it. Companies looking for ways of cutting hudgets decided that diverting funds from advertis-ing to PR proved in many in-stances to be more cost effec-tive. At the same time, new opportunities for PR activity were emerging—such as the growth of high-tech and finan-

cial PR.

A new survey* released last week of Britain's top 500 industrial companies suggests that only one in ten has never used PR consultants to help improve their imege and two-thirds of those surveyed "believe that PR will continue to grow in importance in their organisa-

Meanwhile, the Public Rela-tions Consultants Association, the consultants' own trada body, has elso just released figures showing that the 113 member consultancies last year earned total fees of just over £50m a rise of 22 per cent over 1984 and four times the earnings of the consultancy business in 1980.

But the demand for PR services is clearly beginning to impose a strain on the resources

"If Nestle had possessed what we in the US consider basic public relations skills, I am convinced the company would—before the contro-versy surfaced—have estab-lished continuing, credibla contact with such public as the news media, academics, churchgoers, medical organi-sations, and consumer sations, and e groups," says Pagan.

Slowly Nestle came to realise that it had to change its attitudes or risk the issue escatating further. But the eredibility gap that had de-veloped meant that orthodox PR tactles stood little chance of working, Pagan believes.

So, in 1981, Nestle set up an autonomous crisis manage-ment unit—the co-ordination centre for nutrition headed by Pagan—to plan and imple-ment a broad-based political strategy to end the boycott. Based in the US, where the boycott was most active, the unit comprised five full-time executives and used specialist of consultancies. "At the very tima that demand and under-standing is increasing, the PR danger of outpricing itself and underperforming at the same time," suggests Extel's Barn-

The problem is a serious lack of quality PR executives able to handle the new business. "Increasingly it is the scarcity of good staff who can talk to top people and understand tha role of communications that is the main drawbeck to more rapid growth," argues Roddy Dewe of Dewe Rogerson, one of the leading financial PR consultancie**s**.

Dewe, bowever, finds that PR is now attracting more entrants from professions such as accountancy, atockbroking, and business school graduates—in advance of the deregulation of the City this autumn—which he believes will raise stand-ards and belp meet the new demand. Most journalists, ha adds, do not usually make good PR executives since they are too used to thinking on a day-to-day basis rather than strategically.
Consultancies, however, bave

proved reluctant to pay any

PR consultants when neces-

The main strategic decision aimed at re-asserting Nestle's credibility was to listen care-fully to its critics. Nestle found that while the campaign was led by skilful political activists, it received moral authority and support from lengthy series of one-to-one contacts was made with church leaders to establish trust and put the Nestle case.

Out of these talks came a special andit commission, headed by former US Secre-tary of State Edmund Musice, to monitor Nestle's marketing activities. "It proved to be a major step in the process of

major step in the process of creating credibility for Nestle," points out Pagan.
Eventually, Nestle's slow but steady PR tactics paid off and the boycott was abandoned in October 1984.
Nestle, however, has learnt its lesson and has kept its crisis management unit in opera-



ing staff and the results are helieves that companies can heginning to show in the quality of service cliants receive. At "by being a big enough account

recently moved to a major consultancy for about £30,000, recalls Barnard. "He is a good man, but not £30,000 good."

While both PR organisations—the Institute of Public Relations end the PRCA—are trying to encourage more training in consultancies and to upgrade the content of CAM courses (communications, advertising, marketing), the issue does not yet appear to be taken really seriously by many consult-

Another facet of the current PR boom which is causing con-cern is just how far consultancies are acting as agents rather than consultants. "Pure con-sultancy should mean that tha PR is offering specialist exper-PK is offering specialist exper-tise to a client for which he pays a fee," points out Carol Friend, managing director of Pielle PR and this year's presi-dent of the IPR. "However, increasingly it appears that many consultancies are acting more as agants by seeking to charge 17.5 per cent commission on selling extra services, such on selling extra services, such as print buying or mounting exhibitions. I'm not sure bow far this is in the interests of the client."

Getting value for money from PR is the key issue for most companies and something which aging director of the Rumbe- Street, London, ECL.

than lip-service to train- lows electrical goods chain, the same time, the comparatively few PR executives with experience are in great demand and salaries are escalating rapidly. One PR executive with less than four years' experience recently moved to a major consultancy for about £30,000, recalls Barnard. "He is a good man, but not £30,000 good."

While both PR organisations—the Institute of Public Relations end the PRCA—are trying to encourage more training in "by being a big enough account to matter to the consultancy to matter to the consultancy to matter to the consultancy for all their overheads."

Measuring the effectiveness still rudimentary. A review of current PR practice published and Regester consultancy found that only about half of the 500 top industrial companies in the survey attempted any real evaluation of the effectiveness of PR.

Will the PR ship sink over the next couple of years as com-panies realise that standards are slipping—or will there, as Carol Friend suggests, be only "a small leak which the indus-

try should be able to patch up?" Probably the most effective companies that bave used PR for some years and recognise when standards are slipping. Yet as fast as these companies find a consultancy that does measure up to the job. other companies which are using PR for the first time will fill their

to me, is for the consultancies to acknowledge that the problem exists, that the dangers are growing," points out Extel's Barnard, "The goose that laid the golden egg has already lost a feather or two and may just be contemplating delivering a stinker . . .

* The Practice of PR: a re view of the current state of the is beginning to be questioned art, published by Traverse-more and more. Ian Gray, man- Healy and Regester, 57 Britton

Phone cards: now a collector's item

Carla Rapoport explains why Japan's gift mania is a bonus for Nippon Telephone

are not unique to Japan. But NTT has hit upon a formula which is so popular that it to boosting the use of public pay phones in Japan and providing

state monopolies have never bean known for their marketing skills and this is true even in Japan. Nippon Telephone and Telegraph, newly launched into the private sector last year, had long been seen as a sleeping bebemoth with no particular talents other than an excellent bill collection service.

That image is rapidly changing. One can barely cross the street in the business districts of Tokyo without running into a bunch of NTT employees dressed like fishmongers in happt coats and beadbands. Calling out loudly to passers-by with megaphones and taped recordings, thesa whita collar street merchants are selling selephone cards for y500 and Y1000 apiece (£1.95-£3.90).

Telephone cards, of course, are not unique to Japan. But NTT has hit upon a formula which is so popular that it is boosting the use of public pay phones in Japan and providing a bealthy flow of cash at the

Tha mone company doesn't say how many of the calls are mede with the cards, but it does admit that a "significant" por-

phones in Japan and providing a bealthy flow of cash at the same tima. NTT's telephone cards, or card-o's as they are known in Japan, are made from a flexibla plastic film that cen carry a picture. These pictures, ranging from Sumo wrestlers ysee below) to cherry blossoms Valentine's Day Hearts, bave made card-o's the perfect gift.

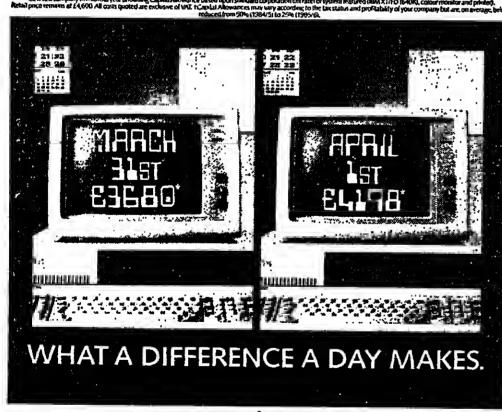
The Japanese are inveterate gift givers. Wedding guests in Japan must both give and receive gifts. There are even two, gift-giving seasons in Japan, summer and winter. The most popular gifts are those intended to be used, like soap or salad oil. This relieves the recipient of excessive obligation to the giver.

NTT has 250 different kinds

Distant A:

Chippens (1999)





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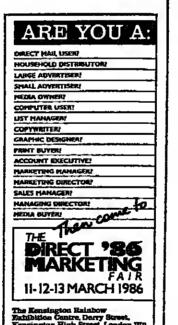
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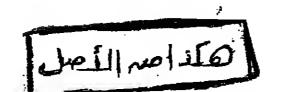
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THE EUROMARKETS IN 1986 London, 11 March 1986

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BUSINESS LAW

Rebuff for a Portuguese state trader

By A. H. HERMANN, Legal Correspondent

A DECREE suspending a valid contract made by a government for the sole purpose of securing a great benefit for its wholly-owned enterprise and thus for itself, at the cost of the contractual partner of that enterprise, cannot be given effect by an international arbitral tribunal sitting in the Netherlands. Three eminent arbitral tors, Prof C. J. H. Brunner, Mr R. A. MacCrindle, QC, and Prof Frank Visher so held in a dispute between and definite made by a government that it a first origin government intervention. This, he added, would require clear evidence and definite findings.

1979, in the dispute between ciding the legal issue and leaving the amount of compensation to be determined either by an agreement of the parties or, if they fail to agree, by a final trader, Lord Wilberforce said trader, Lord Wilberforce said if a foreign government were taking action purely in order to extricate e state anterprise from contractual liability. Such evidence and definite findings.

1979, in the dispute between ciding the legal issue and leaving the amount of compensation to be determined either by an agreement of the parties or, if they fail to agree, by a final trader, Lord Wilberforce said the arhitrators.

The dispute arose from a contract would be governed to in Portugal as the contract would be governed the character of government at fact or the parties or, if they fail to agree, by a final trader, Lord Wilberforce said the amount of compensation to determined either by an agreement of the parties or, if they fail to agree, by a final trader, Lord Wilberforce said the arhitrators.

The dispute arose from a contract would be governed the contract would be governed that the contract would be governed the contract would be governed that the contract would be governed that the contract would be governed the contract would be governed to the Liberian outpost of Such evidence and definite Article 26 of these rules, the Thyssen, the West German findings about the nature of the arbitrators are required to destectimater, and Setenave, the decree by which the Portuguese state-owned ship. Government interfered with the The tanker was to be de-

The arbitrators said that to give effect to such a decrea would be contrary to generally accepted principles of international law and would violate concepts of public policy and morality common to all trading nations. The arbitral tribunal

organisations of the Communist and Third World countries on the one hand and private companies on the other. As the world credit system—if one may call it a system—cracks in its seams, the attempts on the part of the debter on the debter on the debter on the part of the debter on the credit system—cracks in the seams, the attempts on the part of the debter of the its seams, the attempts on the part of the debtor countries to brush it aside in favour of an unrestricted sovereign immunity are bound to be more frequent, as the still unfinished saga of the International Tin brush it aside in favour of an Council illustrates.

English courts have been traditionally reluctant to sit in judgment over the actions of soveregns entering the market of time with that of other place. One reason for this might have been that the principle of sovereign immunity helped the UK when it faced a immediate of actions as a result of wartime sequestrations made of wartime sequestrations made interests on might have been the "trading with the entering present might business interests scurming relations with friendly countries. Another unwelcome and only to contracts governed to the that interprise to avoid cancellation for delay in delivery but not cancellation. Another the anti-business attitude of the avoided under the decree by reason might have been the demonstrated by reporting the provided under the decree by a declaration made by the company that it would deliver withing relations with friendly countries.

.. : :

11/1/2

OMARKE

AND THE PERSON NAMED IN

contract between Setenave, its ehipyards, and Settebello were required when Settebello sued Banco Totta and Acores in the High Court over a guarantee to pay £25m in connection with the Portuguese shipyards' the Portuguese shipyards' fallure to deliver. However, Mr Justice Hurst, before whom nations. The arbitral tribunal thus restated with emphasis a principle which is of great importance for all companies doing business with governments and their trading agencies.

It reaches far beyond tha dispute between Thyssen and the legislativa business of a dispute between Thyssen and the legislativa business of a dispute between stafe trading the legislativa business of a triendly power. The plaintiff's increases with the volume of trade between stafe trading

Court of Appeal and the House

If the same line is taken by the courts when they come to decide the merits of the dispute between Scttebello and Banco judgment over the actions of Totta and Acores, it will be a foreign governments. They reversal of legal policy bound have retained longer than to cause more difficulties for judges in any other country an British firms in tha future and exaggerated respect for foreign to render British practice out sovereigns entering the market of tune with that of other place. One reason for this countries. Another unwelcome might have been that the prin-

The tanker was to be de-livered originally by January 31 1978. Article 6 of the con-tract provided than in case of delay exceeding 12 months, the purchaser would have the option to rescind the contract. However, the delivery date was several times extended, finally several times extended, infaily until April 30 1982, and it was provided that if the vessel was not completed in all respects on that date, Settebello should be entitled to terminate all its obligations by a written notice and that the shipyard would repay previous instalments, amounting to some \$11m.

During the period of tha delay, the market was becoming glutted with tonnage so that gatted with tonnage so that Settebello probably could not have made any use of the tanker if delivered. Its market value fell from the agreed contract price by about one third. There was no doubt, therefore, that Settebello would make use of the cancellation clause if the tanker was not delivered by April 30.

At this point, the Portuguese Government stepped in like a deus ex machina and a mere 10 days before the cancellation date, enacted the decree-law No 119/82. Though it was drafted in general terms, it was in fact tailor-made to solve the predicament of the state shipyards. It applied only to contracts con-cluded by companies later de-clared by the government to be "in critical economic situation"

countries.

Netherlands Arbitration Instithat such a declaration by the
Netherlands Arbitration Instithat such a declaration by the
Whichever way they go, the
Came with the passage of the
Sovereign Immunity Act. In
723. It is an interim award, deThe rules of the institute under number of the posted—in contrast with the erments and private companies.

Settebello never recognised the pseudo-legislative interven-tion into its contractual rights. It insisted on the legality and effectiveness of its cancellation notice and claimed repayment of the \$11m already paid. Sete-neve on its part claimed that the cancellation notice was illegal and asked for \$31m plus interest. After about two years it sold the tanker to enother party for \$20m.

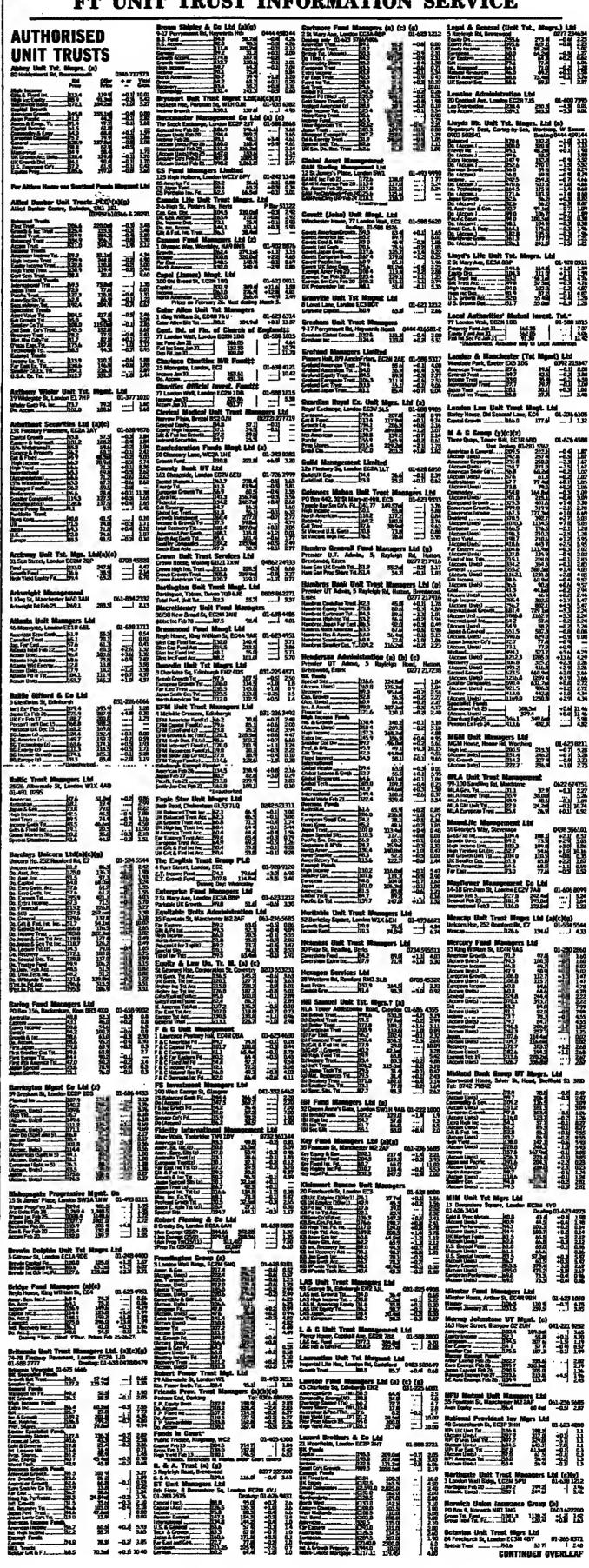
The arbitrators concluded that "to give effect to the decree-law would be to deprive Settebello, without compensat-tion, of e contractual right to cancel for the default of Sete-nave, a shipbuilder whose delays had already placed it in breach of contract well before the decree-law was passed. It would equally deprive Settebello of its right under Articla 11(b) of the contract to recover some US\$11m with interest in respect of instelments already paid by it. No compensation is granted

by the decree-law for such losses." The arbitrators pointed out that the decree-law was no enactment of general effect postponing the rights of all creditors like a moratorium. It was designed to destroy the right of Settebello to cancel the contract for failure by Setenave to deliver and to recover the \$11m. deliver and to recover the \$11m it had paid. Though worded in general terms, it struck at no-one else. The award in favour of Settebello, said the arbitre-tors, was the only one compat-ible with elementary canons of

equity. The rules of the Netherlands Arbitration Institute to which the arbitration clause referred provided for the application of equity. But Settebello appealed to a Dutch court claiming that tha decision should have been made on the basis of Portu-guese law exclusively. It will take several months before we learn about the stand taken by the Dutch courts. It may take even longer before the action between Settebello and the guaranteeing bank is decided by English courts.

Whichever way they go, the decisions are bound to have an

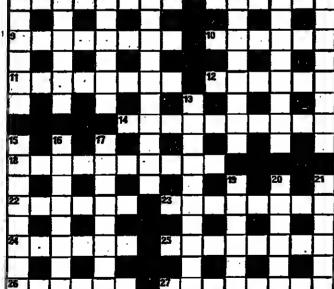
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THE FINANCIAL TIMES DIRECT MARKETING Wednesday April 9, 1986

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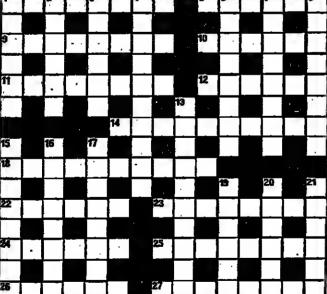
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APPOINTMENTS

Managing director of **Courtaulds plastics**

COURTAULDS has appointed Mr Mr Watkins home trade sales Michael Praguell to be managing director, of Tanquaray Gordon director of its national plastics group. He moves from the international paint division where he has been board director responsible for the company's industrial paints business workdwide.

**

Mr Watkins home trade sales director, of Tanquaray Gordon and Co. From the same date Mr Pr. A. J. Neep, currently business appointed business development director of The Distillers Co (Home Trade).

Mr Bill Webb has been appointed marketing director of retail design by FITCH & CO. DESIGN CONSULTANTS. He joins from Richard Shops, a subsidiary of Habitat Mothercare, where he has been marketing and development director. His appointment ment director. His appointment follows the promotion of Mr Rune Gustafson to group market-

Following the acquisition of Bishopsgate Insurance, AMEV has appointed Mr Peter Howell to the board of AMEV (UK), the holding company for the group's UK interests in insurance and financial services. Mr Howell, Mr Pim Nanninga and Mr Jan Scherphuis have joined the board of Bishopsgate Insurance, where Mr Peter Longiand and Mr Peter Robinson continua as chairman and chief executive respectively.

BRADGATE TEXTILES has set up a subsidiary company, BTC, Mr Heward Morgan, Bradgate's managing director, will become M.D. of the new company and assumes the titla of chief executiva — Bradgate Textiles. His position as managing director of Bradgate Textiles is filled by Mr David Smallridge (formerly sales and marketing director).

SWAN HOUSEWARES has appointed Mr Garth Wooldridge as sales and marketing director from March 1. Ha was with the parent company, BSR.

PHICOM has appointed Mr R. Glossop es managing director of Imhof Beden Standard Products.

Mr R. G. Filby and Mr E. W. J. Wetkins will poin the board of THE DISTILLERS COMPANY (HOME TRADE) as non-execu-tive directors on Aoril I. Mr Filby is managing director, and

AIDCOM INTERNATIONAL has appointed Mr Robin Dow to its main board. He joined last November as chief executive, and

chairman-designate of the re-search division. He was Euro-pean president of Levi Strauss

Mr John Franklin, deputy chairman of POWELL DUF-FRYN, has been appointed deputy chairman of CHAR-TERED TRUST in succession to Mr P. A. Graham.

Mr Roger L. Britt has been appointed a director of R. B. MACMULLAN.

Steer Davies & Gleave mar-keting consultancy has appointed four new directors: three infour new directors: three in-ternal promotions, Mr David Hollings, Mr Robert Sheldon and Mr Peter Twelftree; and Dr Luis Williamsen who will continue in his academic post in the Trans-port Studies Group at University College (London). The consul-tancy is the transport planning advisor to the Canary Wharf (London Docklands) devalop-ment consortium. ment consortium.

· LEWIS WOOLF GRIPTIGHT by Mr David Smallridge (formerly sales and marketing director).

**

Mr F. W. Wood has been appointed company secretary of COSALT from March 1 on the retirement of Mr R. B. Heaton.

**

LEWIS WOOLF GRIPTIGHT has promoted production director for Mr Peter Weiss to deputy managing director. He will retain his production responsibilities. Financial director designete Mr Brian Coombs is also appointed to the board. He retirement of Mr R. B. Heaton.

SWAN HOUSEWARES has appointed Mr Garth Wooldridge as sales and marketing director from March 1. Ha was with the parent company, BSR.

Y. J. LOVELL (HOLDINGS) the sappointed Mr James G. Laing range, has a new managing director by the septimental director.

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**THICOM has appointed Mr R.

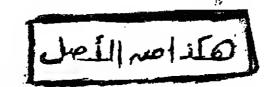
**The Southampton-based DREAMLAND GROUP (a Valor company) recently enhanced from processors and tha rest of the ICTC kitchen appliance appliance as deputy chairman, in addition to his responsibilities as group financial director. mercial director.

HORIZON TRAVEL has de-

Mr Christopher Bunton has joined SAATCHI & SAATCHI COMPANY as group treasurer from March 1. He was with Gulf Oil Corporation.

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Financial Times Thursday February 27 1986 \$200

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Brazilian gold surge forecast

FOREIGN MINING companies annually by South Africa. But who originally came to Brazil some mining consultants here looking for base metals have see a atrong future in industrial few years ago in shifted their attention to gold trialised gold mining in Brazil industrialised gold mining in Brazil industrialis and will invest more than \$600m by the end of 1988 in gold mining projects. The result should be a rapid iocrease in the country's gold production from hard rock and open plt mines, pos-sibly to 30 tsnnea by 1991 com-

pared to eight tonnes last year. The estimate la made by Rio The estimate la made by Rio de Janeiro mining consultant Mr Peler Rich who will publish his findings later this year in the authoritative annual gold report published by Consolidated Gold Fields. Independent checks show the tonnage estimate is widely accepted by mining executives in Brasil. In the past year companies publicly announced \$452m in planned investment. The remaining \$150m comes from estimates of future investment in mines in earlier investment in mincs in earlier stages of development.

The foreign companies include Anglo American and Gencor from South Africa, Rio Tinto-Zinc and BP Minerals from the UK, Utah Inter-national, Kennecott, and Anschutz Mining Corp from the

US, and Inco from Canada.
The new focus on gold comes as world prices for base metals such as copper and nickel continue stagnant and as concerns arise about the long-term future miners continue to exploit sur-of South African gold produc-tion. Brazil's contribution to abovets. But there have been world production will remain no new major alluvial finds world production will remain an action and the past five years suggest-650 tonnes of gold produced ing to geologists that the

tional Cocsa Agreement, thereby severely reducing the

chances of a new price-support-ing accord to replace the one

which expires at the end of

moment of truth." Mr Denis Bra Kanon, the Ivory Coast minister of agriculture, told the United Nations Cocoa Confer-

ence in a bigbly emotional speech. "We are all subject to the arbitrary decisions of the exchanges in New York, Chicago, London and Paris.

Nobody can guarantee us a minimum price."

The minister dropped his bombshell just after the cocoa

EEC Ministers

close to starch

scheme deal

By Ivo Dawnay in Brussels

posal on the aids.

EEC FARM Ministers bave

come close to agreement on new regulations on the sub-sidised costs of sugar available to the chemical industry, though Belgian reservations

"We have reached

with a possible 100 tonnes of annual production by the end

Greenstone belts of pre-Cambrian rock of the type which led to gold production in South Africa, Siberia, Canada and Australia are found in Brazil. Geologists say the country is at a stage of exploration similar to that of Canada or the US 100 years ago. Because the potential gold areas are vast and geologists have only in the last decade begun to prove up reserves, there could he a large gap between potential and proven reserves, now about 500 tonnes. Brazil's annual production of about 50 tonnes has placed it fourth among world gold producers after South Africa, the Soviet Union and Canada.

in recent years. In 1984 half of production came from the mining of river bed deposits in the Amazon where several hundred thousand itinerant

Mr Rene Mootea, the confer-

ence chairman, said there had been no convergence of views

betweeo producers and consumers during the last week

built into the agreement.

for further negotiation. The Ivory Coast declined to join the

existing Cocoa Agreement which came into effect in 1980

ing were synonymous with Mineracao Morro Velho, an Anglo - American subsidiary with several gold mines in



pany, bad been prospecting in Brazil since 1970 but only in 1980 did be discover a large underground gold deposit in Crixas, Coias, about 280 km north-west of Brasilia. The mine, now a joint vecture between Inco and Kennecott is expected to produce two to three tonnes per year beginning in 1988. Other companies have

Rlo Tinto-Zinc has invested \$62m in a low grade, open pit gold mine operation, also in Minas Gerais, expected to produce from three tonnes to 3.5 tonnes in 1988. The state-owned tonnes in 1988. The state-owned Companhia ds Vale do Rio Doce, the country's major iron ore exporter, will invest \$60m in a gold mine in Araci, Bahia, expected to produce 5 tonnes annually by 1991. Cencor, the South African company, has invested \$130m in a mine in Sao Bento. Minas Gerais expected to begin producing 1.5 tonnes a year at the end of 1986. The largest industrial producer of Brazilian gold is Anglo-American which will invest \$200m through 1988 for an estimated through 1988 for an estimated annual production of 11 tonnes.

Now that situation has the changed. According to one Rlo miners, The Government is the principal buyer of gold and pays a Cruzeiro price set by the black were more drill holes put down for gold last year than in the past 10 years were more drill holes put down cent above the official rate. This for gold last year than in the gives producers a return well past 10 years combined."

LONDON **MARKETS**

COCOA PRICES continued to slide on the London futures market yesterday as bopes for the socressful renegotiation of the price-supporting Inter-national Cocoa Agreement at the corrent Geneva meeting the corrent Geneva meeting receded further with the livery Coast's announcement that it would not join a new pact. The May position on the Luedon futures market ended £29 down at a fresh 27-month low of £1,548.50 a tonne with extra downward pressure coming from chart-inspired speculative selling and hedging against recent producer sales, plus the influence of an upture in infloence of an upturn in sterling. Coffee values regained Tuesday's fall early on and made further ground with the May position reaching £2.699 a tonne at one stage. But most of the gain was lost later and May coffee was lost later and May coffee ended only £21 np on the day at £2,628,50 a tsune. On the London Metal Exchange zine and aluminium prices regained some of Tuesday's sharp falls, but other base metals were weaker. Heavy selling of lead found buyers reserved and the cash price fell to a 91-year low before steadying to end the day £2,375 down at £249,75 a toune.

LME prices supplied by Amalgamated Metal Trading.

ALUMINIUM

	close'p	in + or	High/low
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Cash A months	555,5-6 980,2	-5.75 -5	298.927.
Official cle (960.5-1), the 7), settlement close: 879-5-6	ee mont	13 984	.5-5 (986.)

Official closing (am): Cesh 850-; (949-50), three months 980-2 (979-80) (949-50), three month settlement 952 (960). Turnover: 18,200 tonnes. US Pro-ducer grices 68-72 cents per pound.

	Unofficial + 5f	Highilow
ash 75 (19th)	249.50 -8,37 259.5;60 -1,87	254/255
252-3), ettiemer 57-8. Turnov	closing (am); C. three months 256-7 at 246 (253). Final K. er; 28,025 tennes.	(2625),

Kuele Lumpur Tin Market Close 21.44 cinggil per kQ. up 0.34 ringgit. NICKEL

	Close(p.m.) — E per month	High/ low
sah	19768-70 1 47.5	2760
monthe	9625-30 50	2876/2760

ZINC

L per month	COFFEE
415-6 : +3.5 : the 427-0 +5 489/428	Values rose steadily in light mo trede by sa much as ES3, beais Levels held until New York op
eat closing (am): Ceeh #15-6 2), three months 427-8 (422.5-4), lent 416 (412). Finel Kerb close: over: 4.925 tennas, U6 Frirae n: 30.50-35.75 cents per pound.	when heavy selling in the US prices tumbling in London with liquidation. Physical offsko did appear to be as prominent or Tuosdey, reports Drexel Bur. Lombert.
	Yesterty's 4 or 2 and

GOLD

Gold fall \$3½ to \$346%-347 on the London bullian market yeaterday. Treding was described as choppy and lacking direction. The metal append of \$345%-348, and was fixed at \$25.75 in the offernoon. It louched a peak

	\$3434
nce)	Feb. 2
(£57)	3-235 le 2 le - 285 5-018 i
	ince)

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Olose \$3461;-347	12233-2354
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hill Angel \$3540	12512 2214
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12 NewSoy 14014-5011	£88 le-55%
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:20 Engle 6450 490	£302 388 (a)
NoblePlat \$42014-42514	£282-265 Jul

Silver was fived 9.8a as gunco lower for spot delivery in the Landon bullian market yeaterday at 395.65p. US control to the fixing levels were: spot 588.6c. down 16c: three-menth 599.5c. down 18.2c: six-menth 311.45c, down 16.45c. and 12-menth 634.55c, down 16.45c. The metal opened 21 333-3595 (554-586c) and closed at 394-396p (586-586c).

Der Der Erby	Bullion Foring Frice	+ or	LM.E.	+ or
MIN	393,55p 407,20p 418,36p 440,35p		_	-7 -5.3

UME-Turnover: 25 (40) loss pl 10,000 Three months high 407p, low 405p. final kerb 404-5p.

RUBBER

PHYSICALS—The London markot opaned assadier, estiscred little interest on the higher levels and closed purel and esser, reports lawls and Peal. Closing prices (buyers): spot 63.00p (62.009): April 62.75p (62.00p): Mary 62.5p (62.50p). The Kualo Lumpur 10b prices (Malayara/Singáporo cents) por kg. RSS No 1 wes 203.0 (200.5) and for SMR 20 203.5 (202.0).

US MARKETS

PRECIOUS METALS declined sharply in response to the rumours by Mr Volcker, the Federal Reserve chairman, indicating some desire for stabilising foreign exchange rates, reports Helpold Commodities. Copper and Aluminium lost ground in sympathy with weakness to precious metals values and on arbitrage selling. Sugar weakened reflecting larger than expected authorisations at the EEC selling tender. Cocoa PRECIOUS METALS declined expected authorisations at the EEC selling tender. Cocoa traded sharply lower on good producer selling and on the news that the Ivory Coast was unwilling to join the International Cocoa Agreement. Profit-taking kept pressure on coffee values as fresh news over Brazilian export policy remained lacking. Cotton traded mixed with old crop under pressure from light

NEW YORK

March 62.90 53.
Many 53.42 63.
July 63.75 64.
July 63.75 64.
July 65.75 64.
March 65.89 45.
May 46.65 46.
July 46.65
CRUDE Oil, (LIGHT)
42.000 US gallone, \$

GOLD

under pressure from light producer selling.

METALS	Feb. 26 1986	+0	Month 490
Aluminium			
Free Market	3 1220/240	+10	21100/10
Copper Cash h Grade	-		
Z mitte	10000.75	-0.75	#1069 P
3 mths	10546 75	- R R	2255
Lead Cash	2945 B	-8 47	C263 5
3 mths	P259 76	-1.07	£279 21
Nickel			
From Mist	104 mod	-5	176-196a
Paltadium oz	.: \$1 12,00	-0.75	\$106,25
Matinum oz	.:3407.00	-10	65 12,44
Quicksilvert	. \$530/250		\$2 16/230
Bilver troy oz	. 395.55p	-0.80	439.25
3 months		-5.7	458,60
Tin cash		-w	
3 months			265.71
Tungsten	256,38		853:51
Zing	64155	+5.5	6460
3 months	6487 5		£470.a
producers -	E\$50:870		#680: TOB
p. 55-55-5			

INDICES .

REUTERS

DOW JONES

FINANCIAL TIMES

Fob.82 Feb. 25 With ago Yearago

___ __ __ 252.41 (Base: July 1 1952=100)

Feb. 06 Feb. 02M'lh ago, Year ago

1210.9 1809.4 1855.2 2526.1

Base: September 18 1931 - 100)

Jones 25 24 ago ago

Opot |128,67 128,65 - 117,65 Fut |133,98 134,12 - |120,18

MAIN PRICE CHANGES

t Unquoted, † Per 75-lb fisek.c Cents per pound. y March. w Feb-March, z March-April, a April.

MEAT

•		firmer			
•	refiled	pn fresh	trader	end spe	culative
		desipte			
		CCST.	аπ, і	eports	EASIDIN
2	PIOME	AT		BEEF Y'day	1 + 00
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104.50 + 0.50 188.50 - 188.00 + 0.50 188.50 - 188.00 + 0.50 188.50 - 105.00 + 5.50 188.50 - 105.00 + 5.50 188.50 + 0.80 105.00 + 0.40 105.00 + 0.40 105.00 +

COCOA

Futures opened unchanged, os due, but in active trading lost ground to touch new life-of-contrast lows and close on a weak mas. Producero were not seen to be selling but there was again good sease-down consurer off-take, reports Gill and Quffus.

|Yestoriday a | Touchess | T

Select 5.808 (4.995) lors of 10 tonnes, ICCO indicator prices (UO cente per pound). Geily price for February 25: 99.84 (102.44); 5ve-dey severage lor february 27: 101.28 (101.82).

COFFEE Close ! -



FREIGHT FUTURES The dry cergo morket opened low-in thin conditions as the physic-morket continued to be devoid of fixtures peronent to dry cergo lutures

Close | High-Low , Prey. April 856/838 837/827 051/838
July 735/745 755/735 755/731
Oct. 843/847 847/843 845/848
Jan. 850/900 900/800 880/900
April 015/930 050/015 085/960
July 800/840 840/800 310/840
Oct. 905/870 810/905 305-922
Jon. 880/940 940/880 880/960
BFI 787.5 759.0 Turnover: 125 (118]. Close | High/Low | Prev. Yankers

Mar. 825,826 826,810 907,827 April 775,795 786 760,778 May 750,776 780 750,7780 Juno 710,770 — 750,7780 Sept. 900,970 — 900,890 Dec. 810,975 — 900,950 BTI 805,5 — 792,6 Turnover: 73 (65). .

GRAINS

Old cropo met shipper recistance end luther long liquidetion eganst a general bearsh country trend, reached the lows pin consumer estiling but closed on a modest raily. New crops steeded, reflecting lack bil lares selling bolors esting on nervous trade hedging, reports 7. B. Roddick.

Mar. 114.75 +0.18, 112.75 -0.55

May 118.00 -0.45 113.10 -0.5c

July 118.16 -0.5c

Sept. 90.25 +0.25 07.35 +0.15

Nov 102.40 +0.15 101.00 +0.45

Business done Wheat Mar 114.80

Sept. 95.30.9.15, Nev 102.60-2.40, Jan

PLATINUM 50 troy Oz. \$/troy oz SILVER 5.000 tray oz. cents/tray oz Close 862-2 862-5 566-3 570-1 577-7 565-8 887-4 601-5 609-8 517-8 630.0

ORANGE JUICE 15,000 (b. cents/ft)

SUTABLEAN MEAL 700 to Close High Sherch 184.9 105.0 105.0 106.2 106.3 10

Prev Jan 159.3 350.8 350.8 360.0 368.5 SOYABEAN OIL 60.000 ib. con 378.5 Close High Lovel 157.5 Telephone High Lovel 157.5 Teleph

March 17.57 17.4
May 17.96 18.0
July 18.32 15.4
August 18.45 18.6
Sept 18.47 18.5
Oct 18.45 10.4
Dec 15.72 18.8
Jez 18.82 18.9
MINEAT 5.000 but min.
cents/60-lb bushel

Latest High Low Prev 54.70 80.00 56.56 56.48 Merch 334.6 335.0 332.0 333.2 44.30 60.25 47.60 49.12 Mey 284.2 287.0 278.0 278.0 44.30 45.30 49.80 65.34 July 283.2 257.4 251.0 252.4 42.80 43.80 42.40 44.00 Sept 256.4 259.0 256.2 256.4 42.90 43.70 42.60 43.70 Dec 256.0 259.0 256.2 256.4 43.50 44.10 43.60 44.10 Merch 272.0 274.0 271.4 271.4 44.60 45.00 44.05 Sp. 5POT PRICES—Chicago loose lard 46.00 49.00 45.30 140.0 Sp. 5POT PRICES—Chicago loose lard 46.00 49.00 45.80 120.0 sema) canta per pound. Hendy and Harman silver bullion 587.0 (598.0]

OIL

106.10-8.00. Soles: 266 lots of 100 Dec 1340/1352. Mer 1400/1810, Moy tonnes. Berley: Mer 113,16-3.00, Mey 1445/1465. 1465. 1465. Nov 101.05 only. Jan untraded. Sales: 39 lots of POTATOES

100 tonnes.
LONDON GRAINS—Wheat: US derk

SOYABEAN MEAL

With a strong deliar, prices opened slightly higher on professional buying then firmed a turther 50p on local buying interest. Good commercial selling stopped any further rise and prices exaed back late in the efternoon, reports Mulrpace.

Sales: 1.455 (362) lots of 20 tonnes,

LONDON DAILY PRICE—Raw suger \$148.50 (£100.50), up \$2.00 (up £2.00) e tonno for Fob-March delivery. White suger \$178.00, up \$2.50.

SUGAR

Close High Low 17.57 17.89 17.42

Yesterday's Previous Business done £ per tonne

Apr 96.80 07.80 1.97.86.86.88 May 105.30 104.20 484.80-85.80 78.50 78.50 78.50 Apr 100.80 101.50 190.98

Soles: 669 (525) lote of 40 tonnea. Esrlice—July 95.90, 4.30, 96.00-95.50; Aug 82.50, unchanged; Sept 75.00, -2.50. Seles: 8 (47) lots of 10 tonnea.

CHICAGO LIVE CATTLE 40,000 Ib. cents/if

Close High Low 39.37 40.18 39.30 43.75 44.50 43.66 44.20 45.00 42.75 49.02 41.00 40.75 40.80 40.95 40.90 37.90 38.90 38.90 38.90 38.90 MAIZE 5,000 bu min.

STOY INTERES

MARKETS

Merch Brent qualifying as 15-day barnels traded at ap remium over non-qualifying first-helf Merch cargoss. The volume of trading remained very thin but there has been a little more activity in the Arab Gulf. Nymex April William at 1.16 EST. Fuel oil comfined to atrengthen on cold westner in UK and north west Europe. Gas oil was little changed with some prodictating our prempt nominations—Patroleum Argus, London. CRUBE OIL-FOR (5 per barrel)-March

PRODUCTS—North West Europe Prompt delivery of (\$ per tohne)

" April GAS OIL FUTURES

1.137 (1,488) lots of 00

Tate end Lyle delivery price for granulated basis suger was £203.50 [£202.50] s tonne lpr export. Turnover: 5,122 (5,336) lots of 100 International Sugar Agreement—(US cents per pound fpb end extwed Carlobean ports). Pricex for Feb 25: Beily price 6.79 (8.78): 15-day everage 2.54 (5.51). CRUDE OIL FUTURES Bront Bland

In response to this decline, worth their while to work on you're paying the labourers amalgamated, the fields will this year the Government is prolated and maintenance schemes. Yuan 5 or Yuan 10 a day (£1.08-probably be scattered so that viding cheaper fertiliser and alnce they feared their own £2.16). And that doesn't include standard-sized tractors still can't allowing farmers to sell more holdings under the reform thet food, eigarettes and liquor be used."

The manual mining of alluvial deposits in the Amazon, particularly following the discovery of the Serra Pelada mine in 1979, has accounted for the hulk of gold production

Minas Gerais, the region which dominated world gold supply 200 years ago. Other foreign mining companies were more

Ivory Coast bombshell for cocoa pact THE IVORY COAST, the tomorrow's (Friday's) deadline without the participation of the made to warrant an extension

world's biggest cocsa producer, until next Tuesday, March 4. In announced yesterday that it the hope of reconciling their would not join a new Interna-differences. The Ghanaian delegate intervened immediately after the atatement by the Ivory Coast minister to waro that "the livelibood and social stability of mit-lions of people" would be affec-ted, if the conference falled to reach a new price-supporting

over two key issues. These are the price level to be struck at the beginning of the new agreement and the price adjustment mechanism which Mr Richard Thomas, Britain, the consumers' spokes-man, said he hoped the dialogue the consuming countries want The unexpected announcement by the Ivory Coast appeared to remove the ground

could continue with the Ivory Coast. The consuming countries bad been looking for a viable and effective agreement, be pointed out. It was only with some reluctsince, however, that the con-sumers had agreed to an exten-sion of the conference which opened here on February 10. Some bard line countries argued

Producing countries had sought a week's extension. The decision to continue until Tuesday represented a compromise. Producers and consumers belg

brief separate meetings last night after the plenary session. The European Economic Community countries will meet this morning with a session of all the consuming countries due to follow in the afternoon.

follow in the afternoon.

No serious negotiations have yet taken place over the price level at which a new cocoa agreement would he pitched. Mr Montes said at the beginning of the conference that producers had suggested they could accept a medium price of 115 US cents a pound while consumers had stuck to a price of 100 US cents. The main focus for discussion has been the price adjustment has been the price adjustment mechanism sought by the con-

exporting and importing but the consuming countries opened here on February 10. has been the price countries bad agreed to extend have indicated that they could Some bard line countries argued mechanism sought the conference beyond not accept a new agreement that too little progress had been suming countries. Tin rescue plan remains in balance

THE RESCUE plan for the tin tives will meet again today. market agreed in draft at the weekend remains in the balance today, with EEC countries continuing discussions aimed at resolving differences

over financial and other aspects of the package. The deputy permanent representatives of Community countries met in Brussels yesterday to discuss the proposal, under Production aids for the next three years are expected to remain at the current Ecu 18.7 per 10nne for a selected list of starch end uses. Thereafter, the Commission is required to the co

come forward with a new proabout three years. Serious differences apparent-The outline plan for a new regime for sugar for industry of contribution which ITC envisages a production aid hased on the world market make to Tinco and on other The outline plan for a new hased on the world market price plus Eeu 70 a tonne and

Diplomats stressed yesterday that the plan, which only arrived in national capitals on Monday, may not bave been examined at Cabinet level in many of the countries concerned, and that their response was of a preliminary nature.

"There is a definite attempt to reach a positive outcome; there's nobody being particu-larly negative, although there are obviously very serious concerns," said one.

promised £50m, to put up more

the ITC to put in a further £100m. Some countries, notably West Germany, also apparently want a guarantee that the stocks taken over by TinCo will all be aold off within three years.

regardless of pricea. The draft plan sets a three-year target date for tin to be sold off at an average price of £6,000 a tenne, but, in response to demands from tin producing countries, says TinCo could delay sales if prices are too

At issue is the proposed ITC contribution of £120m towards TinCo's total capital of £270m. West Germany, France, the Netherlands and possibly Denmark feel this is too high, and want the UK, which has already want to the UK, which has already wanted £550 to the state of £550 to the

willow Thailand will not accept tin export quotas aet by the ITC if non-members continue to price plus Ecu 70 a tonne and matters such as the length of money to make up the shortlinked to the price of glucose lime which the company would to ensure the starch industry be expected to take to dispose to make up the shortlinked to the price of glucose lime which the company would falt.

The plan calls for brokers chirayu Israngkun na Ayuremains competitive.

The plan calls for brokers and hankers owed money by thaya, warned yesterday.

Colina Macdougall on last year's harvest setback

China's faltering grain drive

CHINA'S LEADERS have launched a drive to reverse last launched a drive to reverse last year's decline in grain output which has caused them growing anxiety. Officials have admitted that last year's grain and farm machinery. crop fell 50m 15mncs below the record 407m tonnes of 1984-

due to natural calamities, the Chinese press has indicated; these affected north-east China, mune, the high cost of growing grain in current circumstances and the shrinkage of good land

This message was forcefully echoed by Mr William Hinton, the radical US farmer and friend of Chinese leaders who is a consultant on farm mechanisation to the Peking Govern- said.

ment. Speaking in London this month, he revealed that Chinese

The Chinese press has recently emphasised that these are now essential. Peking hopes while total agricultural outout has rocketed since senior
out bas rocketed since senior
leader Mr Deng Xiaoping's rural
reforms of the early 1980s, last
year's fall came about in part
because of those The household responsibility to some extent the fall was system instituted by Mr Deng

has virtually given each family a small plot, abolished collective these affected north-east China, mechanisation and pooling of where whole crops were destroyed by floods. But it also slemmed from the move hy farmers to grow cash crops by pralaing rural industry. This instead of grain, the neglect of instead of grain, the neglect of the labour. registration and machinery for the labour and investment merly provided by the com- needed for village or countywide land improvement or drainage projects.
shared mechanisation schemes. Under the reform policy. and the shrinkage of good land Last month the party fournal labour shortages and conse-available to agriculture as a Red Flag noted serious declines quent wage costs have begun to in the area irrigated since the

ment. Speaking in London this while tunes for agriculture in Labeling and Gliangdong are month, he revealed that Chinese should be increased, there were having to import labour from 50 much so that it causes of other urgent farming problems the mountains at harvest time," 10dging (weakened plants around 355m tonnes.

In response to this decline, worth their white to work on you're paying the labourers amalgamated, the fields will



Deng Xlaoping: China's leader policy were only temporary.

The other was that with the dissolution of the communes there was no means of organising labour for irrigation and

reform policy was applied in 60m people have left the land 1981, owing to neglect and to work in rural industry, the deliberate damage. Some People's Dally revealed last 100.000 motor pump wells had month, and mechanisation has been abandoned as useless, it become increasingly necessary.

impede grain production, Some

oco abandoned as useless, it become increasingly necessary, aid.

While funds for agriculture in Liauring and Guangdong are hould be increased, there were having to import labour from

abandoned or cannibalised since the fields banded over to house-holds to farm under the new system were too small to use them. Consequently, Mr Hinton waroed, much of the land has not been ploughed below depths of about three inches in the last few years and yields are likely to fall. The sbrinkage of farmland was bighlighted last month by the Peking newspaper Peasant Daily, which called attention to illegal agricultural land sales. Land thus sold is frequently used for building, hrickmaking

you have to give the barvest

crew."
Farm machinery previously

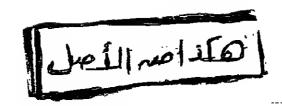
used by the communes has now virtually disappeared. Collec-tively-owned tractors were abandoned or cannibalised since

or family graves.

Though land sales are not permitted, it is now easy to bribe local officials. "Some lead-Ing cadres are involved." said the Peasant Daily. "Some individuals have taken advan-Peking's solutions for the grain problem were recently outlined in the press. But the larger quantities of fertiliser and future amalgamation of smallholdings into larger farms which it advocated may simply

prove inadequate.
China stready uses huge quantities of nitrogen fertiliser.

الماداصر الأعل



20.YEAR 12% NOTIONAL CILT 250.000 32nds of 100%

LIFFE E/S OPTIONS £25,000 | Joents per

Strike price March April May June Sept 1.20 28.50 — 28.80 — 28.80 1.35 22.50 1.35 18.50 18

CHICAGO

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Volcker speech hits dollar

The dollar fell sharply after Mr Paul Volcker, chairman of the US Federal Reserve Board, told had no substantial difference of opinion with Mr James Baker, US Treasury Secretary, about

US Treasury Secretary, about the dollar.

As Mr Baker has welcomed a further fall, the US currency came under immediate selling pressure. Until then trading had been subdued, fearing Mr Volcker would add to his warnings of last week, about the consequences of a falling currency.

The dollar fell to its lowest closing level since early December 1981 in London, et DM 2.2275 compared with DM 2.2440 on Tuesday. It also declined to SFr 1.8790 from SFr 1.8850, the large time wareh 1982; and to lowest since March 1982; and to FFr 0.8525 from FFr 6.9075, the lowest since March 1983. Dealers remained reluctant to put fur that neward pressure on the yen however; following recent comments by Jupanese officials about stability, and the dollar rose to Y181.10 from Y180.85.

On Bank of England figures, the dollar's index fell 0.5 to 117.2, the lowest since January 1983.

the lowest since January 1983.
STERLING — Trading range against the deltar in 1985-86 is 14960 to 1,6525. January everage 1.4236. Exchange rate index fell

Latest Fab. 35 Prev. close

Spot 81.4890-1.4800 \$1.4850-1.4800

month 0.52-0.50pm 1.52-1.49pm

it month 1.52-1.53pm 1.52-1.49pm

it month 4.724.620m 4.65-4.56pm

forward premiums end discousts copty

to the U.S. doltar.

6.4 to 75.3, compared with 80.2

six months ago.

Sterling failed to benefit from

the weakness of the dollar, but
finished well ebove the morning's

low of \$1.4750. The pound closed

40 points lower against the dollar

at \$1.4880-1.4890, and fell to e

Fre record low against the D-mark of

DM 3.3150, compared with DM

3.35. Sterling also declined to

FFr 10.20 from FFr 10.31 and

SFr 27975 from SFr 28125, but
fell only slightly against the yen
to Y289.50 from Y289.75. The
better than expected UK trade
figures for January hed no
impact.

DMARK — Trading range

against the dollar in 1988-84 is
3.4510 to 2.2275. January average

against the dollar in 1988-84 is
3.4510 to 2.2275. January average

against the Jepanese

duthorides with the Jepanese
enthorities wish to keep the
currency within e range of Y180

was in a narrow range, reflecting
was in a narrow range, reflecting
was in e narrow range.

Sumita, Governor of the Bank
of J

POUND SPOT-FORWARD AGAINST POUND

Feb 26;	spread	Close	One month	p.e.	months	_p.a.
ue	1.4750-1.4830	1,4880-1,4880	0,52-0.49c pm	4.07	1.57-1.53 pm	
Čenade	2.0704-2.0778	2.0742-2.0778	0.03-0.15c dis	-0.52	0.32-0.11 pm	
Nethind.		3.74%-3.75%	1%-1%c pm	2.20	573-675 pm	0.74
9elgium	67.90-68.51	67.80-67.90	15-9c pm	2.12	40.30 pm	2.06
			43-33-ore pm	3.55	133-1112 pm	4.06
Ommen	1.0991-1.1093	1.1001-1.1011	0.30-0.20o pm	2.73	0.95-0.65 pm	2.91
Ireland		9.31-3.32	2-17 pf pm		62-64 pm	7.57
W. Ger.		2197-2217	290-675c dis		666-1710ds -	-21.46
Portugal	210-Text 14	210.33-210.69	5c pm-45 dis		50-136 dis	-1.76
Spein	210.01.211.31	2255 - 2256	8-13tire dis		31-38 die	-0.12
Italy	22531, 22831		hore pm.1 dis		12-35 dia	-0.89
Morway		10.38-10.29			31-51 die	-1.69
Fmnce		10.19 2-10.20 2	work pm-1 dis		The om	0.38
Oweden		10.56-10.67	fore but-1 dis		4.10-3.95 pm	
Japan	268-270	269-270	1.30-1.16y pm			5.28
Austria		.23.41-23.46	114-93-gro pm		331,-261, pm	
€witz.	2.79 - 2.82 -	2,791-2.804	13-15c pm		54-53 pm	7.85
	Belgian rate se	or convertible	frence, Finoncia	Libuc (88.30-68.40,	
	ix-month lonva	rd doller 2.72-2	2.67c pm. 12-m	onth 4.8	5-4,70a pm.	

DOLLAR SPOT-FORWARD AGAINST DOLLAR

Feb 26	Day's apread	Close	One month	% p.s.	Three months	p.
UKT	1,4750.1,4930	1.4880-1.4890	0.52-0.49e pm		1.57-1.53 p	
मिक्क्षि	1.3395-1.3570	1,3555-1.3570	0.90.0.75c pm		2.70-2.25 pt	
Canada	1.3920-1.3970	1.3960-1.3960	0.52 0.58a die		1,30-1,35dis	
Nethind.	2.5155-2.6545.	2.8180-2.5190	0.35-0.37c pm		1.27-1,24 pt	
Belglum	45.55-46.25	45.55-45.65	6-9c dia	1.85	22-27 dis	-2.1
Danmark		0.224-8.224	Lore parts die		is pend dis	-a.1
W. Ger.	2 2250 2 2510	2.2270-7.7280	0.57-0.52of pre	2.92	1.87-1.82 pt	n 0.2
Portuge!	1487-1487	1462-1472	250-500a dis	-30.41	500-1300ds	-25.0
Spain	140.85-142.40	341.30-141.50	50-100c dia	-6.34	175-276 dis	-6,3
Italy	1515-1635	1515-1515	12-13/fre dis	-B.82	38-40 dis	-10.2
Norway	0.37-7.07	6.971-6.96	21-21-ore dis	-4.39	22-94 dia	-5.7
France	6.85-6.94	0.85-6.85	2-Zhe dis	-3.90	10-10% dis	-5.9
Sweden	7.15-7.224	7.164-7.164	21-21-ore dis	-4.18	84-7 dle	-3.7
	781.00-182.05	181.05-181.15	0.24-0,21y pm		D.83-0.79 pa	n 1.7
Japas	16.65-15.66	15.66-15.67	2-1gro pm		6-3 pm	1.1
Austrie Switz.	7.8760.1.9036	1.8765-1.8795	0.56-0.50c pen		1.86-1.80 pm	3.8
SALITY.	end Imland i		US currency, F		premiums. 6	
FUR	and illipitor	the US dollar			duel purrent	
GIRCO	elaien rate is:	toc convertible	trance, Financia	franc 4	5.85-45,95	•
	addition in the	vcar .	747		77 7.	
	-, -					

EXCHANGE CROSS RATES

Fob 26	j #3		CM	YEN	FFr.	a Pr.	H FL	Ura	C \$	e Fr.
2	0.578	1,489	3.315 2.228		10.20 6,865	2,798 1,879	8.748 2.519	2250. 1516.	2.076 1.595	67.86 46,60
PM	0.502 3.711	0.449	18,50	81,30 1000,	3.077 07.85	0,844 10,58	1.130 13,91	680.5 8870,	0.686 7.703	20,47 251,8
F Fr. 9 Fr.	0,980 0,857	1.459 0,532	0.280 1.185	964.R 96.34	3.648	2,743 L	3,674 1,540	2212. 906,3	9,035 0.748	66.58 84.25
H FL	0.967 0.448	0.897	0.886 1.470	71.91 119.6	2.722 4.622	0.746 1.840	1,561	601,9 1000,	0.554 0.930	18,11 30,00
0 \$ e Fr.	0.482	0.717 9.194	1.597 4.885	129.8 097.8	4.913 15.03	1.548 4.123	1,806 0.623	1087. 3390,	5.060	32,68 100.
Yen per	1,000: 1	French f	r per 10	t Lira p	er 1.000): Belg	Fr per	100.		

EURO-CURRENCY INTEREST RATES

Feb, 26	Short term	7 Days. notice	Month	Three Months	Months .	Year
Sterling		22,8-193e 774.9 13-135e 07e-6 103e-105e 5 51e 9-91e 161e-14	1956-1956 772 8 1259-1278 516-518 413-413 413-413 12-1214 17-52-1854	1314-1926 770-8 1112-1154 512-516 4-418 454-456 1516-1334 1736-1818	11/2-11/2 77e-8 105g-107g 03g-57g 37g-4 43g-43g 195g-107g 167g-174g	115g-113g 7fg-5d- 10fg-10fg 53g-57g 07g-4 41g-45g 115g-115g 16ig-16ig
B.Fr.(Fin) B.Fr (Con) Yen D. Krono Asian \$ (Sng)	956-978 676-676 8-939 778-8	916 978 018-10 644-678 734-814 778-8	95-97: 10-101: 06:91: 0-91: 77:-8	956-976 978-1056 6-3-016 0-812 716-718	574.91a 914-934 6-11-514 8-819 718-718	854-9 954-914 511-854 754-814 711-8-6

Long-term Eurodollers: two years 84-89 per cent; three years 84-84 per cent; four years 83-85 per cent; five years 83-9 per cent nominal. Obort-term mass em cell for US Dollem and Jepanese You; others, two days notice.

FINANCIAL **FUTURES**

Gilts strong

Gilt prices rose sharply in the London International Financial Futures Exchange yesterday, reflocting continued market bullishness. Prices had been marked down of the start of trading following an overnight mark down in US bonds and sterling's weaker start. However demand soon emerged at the lower levels and with sterling recovering from its lowest level, so gilt prices continued to Improve. The March contract opened at 113-31 down from 114-09 and touched a low of 113-29 before rising to finish at the day's high of 115-06.

day's high of 115-06.

US Treasury bonds resumed their upward path after Tuesday's brief consolidation. The market had been e little anxious shead of Mr Volcker's statement to the house budget committee and prices were e little erraric following his comments that the dollar's decline left little room for a cut in US interest rates. However, the market did not appear to be in any mood to sccept a technical setback and demand resumed to push valoes still firmer. In addition Mr Volcker's comments aboot a favourable outlonk for inflation and economic growth slos served to underpin prices. The March US Treasury bond opened et 91-07 down from 91-09 and 'cucbed e low of 91-04 before closing firmer at 91-21. **CURRENCY MOVEMENTS**

Three-month sterling prices showed little overall chenge in relatively quies trading. Interest tended to centre on longer-term instruments. Euro-dellar prices were similarly affected with a completely flat yield curve in the cash market giving little grounds for inspiration. The Juno contract traded in a five point range from an opening of 92.19 and closed at 92.20 compared with 92.23 on Tuesday.

Three-mooth sterling for Juns delivery opened at 88.90 and business was confined to a 10 point range. It closed at 88.87 compared with 88.94 previously.

FUTURES

Feb, 26	£	•	CUR	RENC	Y FL	TUR	ES
te'alla	2.0960-2.1600	0.8000-0.8010 1.4125-1.4140	POUND	-\$ FO	REIGN I	EXCHAN	GE)
nland-	7.5425-7.5625	10,690-13,660 (5,0900-0,0980 (138,05-140,88	Spot 1,4885	1-mth. 1,4835	3-mth. 1,4730	6-mth. 1,4616	12-mth. 1.4408
ko=0	11,5800-11,5710	7,7970-7.7990	IMM	STERLIN	G Se per	E	
oc'burg Alaysia Z'land Judi Ar.	67,80-67,90 3,5730-3,5790 2,7980-2,8080 5,4400-5,4465	2,4800-9,4820 1,8850-1,8905 3,8535-3,5545	Merch June Sop1 Dec	Latest 1.4870 1,4725 1.4550 1.4460	High 1,4870 1,4725 1,4590 1,4500	1,4780 1,4615 1,4540 1,4410	Prev 1,4800 1,4665 1,4565 1,4450
n'pore.	3,1790-3,1840 2,0375-2,9495	2,1460-8,1480 1,9780-1,9860	LIFFE-	STERLIN	G £25,00	0 \$ per	E
M. (Fn).	5,9080-4,0130 5,4660-5,4735	8,6310-2,7026	March June Sept	Close 1,4885 1,4725 1,4610 ad volum	High 1,4825 1,4690	7.4765 1,4617	Prev 1,4875 1,4740 1,4625
				4 day's			(0)

OTHER CURRENCIES

	Bank	Specia!	European
Feb, 26	%	Prawleg Rights	Currency Uelt
Sterling	712	0,774180 1,15159	0.648560
Canadian \$.	18.10	18,2043	1,34400
Belgian Fr.		59,9468 9,68350	44.9554
D'mark	4	2,58577	
French Fr.	91e 161e		6.64873 1471.48
Yen	914	909,575	
Span'h Pts.	912	H/A	105,713 5,81897
Swiss Fr.	2012	N/A	1.82935
rish Punt	-	NA.	0.714161

STERLING INDEX 8.30 am 75.4 9.00 am 75.5 10.00 am 75.4 11.00 am 75.1 75.5 75.6 75.6 75.8 75.7 75.8 75.8 75.8 75.8 Noon 1.00 pm 2.00 pm 75.3 75.3 75.3 75.2 75.2 3.00 pm

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu contral rates	Currency amounts against Ecu February 25	% change from control rate	% change edjusted for divergence	Civergence
Seiglan Franc	44.8320	44.2654	-1-26	+1.12	+1.5425
Ossish Krone	8.12857	7.97635	-1.87	+0.61	±1.6421
Germee D-mark	2.23840	2.16274	-3.38	-1.00	+1.1458
French Franc	0.86402	5.64873	-3.14	-0.76	+1.3654
Outch Guilder	2.52208	6.44281	-3.10	-0.76	±1.5162
risk Punt	0.724578	0.714721	-1.36	+1.02	±1.6673
Italian Lire	1520.00	1871.42	~3.23	-1.88	±4.0886
		cu, therefore			

MONEY MARKETS

UK rates slightly firmer

NEW YORK RATES

Interest rates were slightly firms; where changed yesterday. Sterling was a little weaker overall despite a further sharp decline in the dollar. In addition the timing of e cut in clearing bank base rates was causing a good deal of uncertainty with sterling's recent volatility and fluctuating oil prices combining out and the forecast was rationally with sterling's recent volatility and fluctuating oil prices combining fluctuating at a record low against the Bank gave assistance in the Bank gave assistance in

UK clearing banks base lending rate 121 per cent

	(Lunchtime)
night money touched a bigh of 12½ per cent before easing to 10 per cent. The Bank of England forecast o shortage of around £150m with factors affecting the market including maturing assistance and e take-up of Treasury bilis together draining £156m and a rise in the note circulation of £36m. These were partly offset by Exchequer transactions which added £50m. The forecast was revised to e shortage of around	Prime rate Broker loan rate Fed funds et intervent Treasury SHIs & Boi One month Three month Three month Sik month Gae yeer Two year Thine 'year Four year Free year Sevan year 30 year

MONEY RATES

Fab. 26	Oy'r-aig't	Month	Months	Monthe	Months	Ju, A, utjo
Frankfurt	844 1916-2018 6-518 6-90585 1678-1714	84 814 41-414 578-517 6.03125 17-174	B(\$ 811	4.35 4.50 834 834 874 4.15 016 518 5.90535 15-1014	8H-5H3 	834
Oublin	15-154	.1019-1048	7048-104F	151 154	TO 15-53-6	, –

(11,00 a.m. Feb. 26)	Olx months US dollers
Three mosthe U8 dollars	bid 77i8 offer 0
bid 7 7)8 Offer 8	
The Oxing rates am the erithmetic mass, rounded to the assress one-sixteenth, of the bid and offered rates for \$10m quoted by the market to	five reference banks at 11 em saci working day. The banks am Nationa Wasminster Bank. Sank of Tokyo Dautscha Bank. Bangus Nationale di Paris and Morgan Gaeranty Trust.

LONDON MONEY RATES

Feb. 26	Over eight	7 days notice	Month	Throo Months	Bix Months	One Year
laterbank Sterling CDs	{		181g-121g		1142-1145	114-114
Local Author's Bonds		1250	19点 19编 19编	1958 19 191 ₉	184	1146 =
Finance Her Depos Treasury Bille (Buy) Bank Bills (Buy)	=	Ξ		19.5 11.6 11.78-11-2	1176	11#
Pino Trade Bills (Buy) Doller ODs	=	Ξ	13 (# 7,70-7,76 7(3-8-5) 9(2-95)	125e 7.70-7.75 51s 53e 9:a-10	7.70 7.70 7.30 8 6 9 6 9 5	7.85-7.90 73-0 918-914

Tressury Bills [sell]: one-month 12% per cent; three-months 11% per cent. Benk Bills (sell): one-month 12% per cent; three-months 11½,11% per cent. Tressury Oills: Average tender rate of discount 12.0360 per cent. ECG Fleet Sinance Scheme IV reference date January 8 to February 4 [inclusive]: 13.077 per part. Local suthority and Finance Houses seven days' notice, others seven days' fixed, Finance Houses Base Rate; 12½ per cent from February 1 1865. Sank Osposit Rate for sums at seven days' notice 6% per cent. Certificates of Tan Deposits [Selfs 5]. Deposits 5100.000 and over held under one month 12½ per cent: One-three months 12½ per cent: three-sis months 11½ per cent. Break of the cent from February 28. Deposits 11½ per cent. Under £100,000. Deposits withdrawn for cesh 7½ per cent.

Company Notices

& National Westminster Bank PLC (Incorporated in England with limited liability)

Issue of U.S.\$ 500,000,000 PRIMARY CAPITAL FRNs (Series "C")

In accordance with the provisions of the Notes, notice is hereby given, that for the three months interest period from February 27, 1986 to May 27, 1986 the notes will carry an interest Rate of 81/10% per annum.

The Interest payable on the relevant interest payment date, May 27, 1986 against Coupon No. 2 will amount to U.S.\$199.32 for Notes of U.S.\$100,000 nominal and U.S.\$1993.23 for Notes of U.S.\$100,000 nominal.

KREDIETBANK

February 27, 1986

Agent Bank



ESCOM Electricity Supply Commission

ECU 50,000,000 Floating Rate Notes due 1990 Exchangeable for 10%% Bonds due 1990

in accordance with the terms and conditions of the Notes, notice is hereby given that for the Interest Period from February 28, 1986 to May 30, 1986 the Notes will carry an interest Rate of 101/4% per annum.

The interest payable on the relevant Interest Payment Date, May 30, 1986 against Coupon No. 4 will be ECU 25.91 per Note.



KREDIETBANK

LEUMI INTERNATIONAL INVESTMENTS N.V. U.S.\$20,000,000 GUARANTEED HOLDERS OPTION 1990

BANK LEUMI TRUST COMPANY OF NEW YORK Principal Paying Agen

GEC-ELLIOTT AUTOMATION LIMITED 6½% OEBENTURE STOCK 1901/66 The Register of Stockholders of the

Personal

COLNAGHI, 14, Old Bond 51., WI. 01-491 7408. THE ERITISH FACE—9 View of Portraiture, 1625-1059. Until 29 March. Moa.-Fri, 10-6; Sats. 10-1. March. Mos.-Fri. 10-6; Sats. 10-7.
ZAMANA GALLERY, 1, Eronwell Gardens
(opp. V. & A.), SW7. 91-584 0012.
Precented by the Matchaf Callery, LANOS
WITHOUT SHADOS—The Orient through
Wastern Eyes, Until 16 March.
Mon.Sat. 10-5.38 (closed Fri.): Suns. 1-5.30

Art Galleries

Conferences

CARBBEAN — Migh level economic and political CARICOM conference, Seth to 7th March. Details from Mary Louise Makris, Commonwealth Institute, Kensington High St., London, WS. 01-603-4535.

Clubs



FINANCIAL TIMES CONFERENCES

Technology and the **New Securities Markets**

London, 7 & 8 April 1986

Subjects to be addressed at this high-level meeting include:

- * The Stock Exchange's preparations for the New Securities Markets * How Technology is being applied to the Domestic Equities, Gilt-Edged. Futures and International Equities Markets
- * The Development of Automated Dealing Systems --- what can be done
- * How does one major Institution plan to deal?

March April May June 0.00 — 0.01 — 0.07 0.00 0.01 0.08 0.24 0.72 0.06 8.45 0.94 1.72 0.02 1.59 2.40 3.46 2.70 3.95 4.92 5.10

April May June Sept
- 0.20 0.70
- 0.20 0.70
- 0.40 1.25
0.20 0.80 0.90 2.20
0.60 1.40 1.86 3.80
2.00 3.00 9.90 5.90
4.50 5.80 5.50 8.70

March April May June Sept

0.05 _ _ _ 1.86 _ ...
0.85 1.85 _ 3.70 _ ...
786

0.48 1.05 2.04 2.57 5.72 8.50

- * Management systems for assessing and controlling risk
- * What can be learned from the NASDAQ experience?

Some of the speakers taking part:

Mr Patrick Mitford-Siade Chairman of the Projects Committee The Stock Exchange

Mr George Hayter The Stock Exchange Mr David Victor

CAP Financial Services Limited Dr Paui Neild

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Financial Times Thursday F		ROPERTY—Continuèd '' INVESTMENT	T TRUSTS—Cont. FINANCE.	LAND—Cont. MINES—Continued
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MARKET REPORT

Account Dealing Dates *First Declara Last Account Pealings tions Dealings Day
Feb 10 Feb 20 Feb 21 Mar 3
Feb 24 Mar 6 Mar 7 Mar 17
Mar 10 Mar 26 Mar 27 Apr 7
"New-time" dealings may take
place from 2.30 am two business days

Lower opening prices for both leading shares and Government bonds attracted revived demand bonds attracted revived demand shortly after business commenced and the effects on sestiment were immediate. Early caution quickly evaporated and a range of Orst-line stocks regained early fails to move isto higher ground. The scene was repeated in the Gill-edged sector. Currency considerations—the panual performed less strongly pnund performed less strongly pnund performed less strongly against the dollar — prompted renewed buying of international and secondary industrials with overseas earning potential. Stock shortages were soon uncovered, albeit not on the scalc seen on Monday, and after the mid-morning announcement of last month's trade figures the tone was especially 0rm. The surplus on current account for Jasuary was \$1.140n

was \$1.140n.

Institutional investors went to ground before midday, however, and business slowed to a trickle. Throughout the afternoon most inquiries received by brokers were orders from small private clients. The market looked set to end on a subdued note but interest maked up again late. interest picked up again late, helped by news of a strong early trend on Wall Street. Eventu-

EQUITY GROUPS

Equities and bonds resume advance after cautious start

start the dividesd season tomorrow, cheapened 4 at 477p NatWest softesed a few pence ot 693p, as did Middand, at 468p. Barelays softened a pency to 467p. Scottish banks, however, came in for some late huying and Bank of Scotland closed 6 better at 383n after 375p while better at 383p, after 375p, while Royal Bank of Scotland hardesed Royal Bank of Scotland hardesed a couple of pence at 292p. The prospect of cheaper mosey pushed Discount Houses higher. King and Shaxsoo added 8 at 156p and Gerrard and National firmed 7 at 332p. Among Hire Purchases, Woodchester, in which Garimore Information and Financial Trust holds a 7 per rent stake, advanced 15 to 1800. Financial Trust holds a 7 per rent stake, advanced 15 to 180p.

Leading Brewerles made modest progress io relatively subdued trading. Bass advanced 10 to 685p, while Whithread A added 3 more to 265p. Greenall Whiticy, a nervous market since its agreed counter-hid for Davenports was lauoched earlier this month, rallied 3 to 169p. Regionals highlighted Lianellihased Buckleys which attracted fresh speculative interest and rose 8 to 78p; Belhave Brewery, controlled by Mr Nazmu Virani, holds around 8 per cent of the equity.

rend on Wall Street. Eventually the FT-SE 100 share index achieved another peak level to close 6.6 up at 153-16, after heing 8.9 down at 9.36 am.

Sterling/dollar influences were hlamed for the initial dultness in Government bonds. Dealers marked prices down but the move encouraged investors to commit fresh funds. These were directed towards medium life stocks where yields of over 10 per cent slill obtain. Setected malurities finally achieved rises streiching to 2 but looger-dated Gilts, because of generally single-figure returns, were more

FINANCIAL TIMES STOCK INDICES mment Secs 85,20 95,05 84,92 84,14 83,73 84.00 80.92 Fixed Interest......... 89.79 89.71 89.38 88.96 88.95 88.23 95.71 . 1270,2 1264,2 1275,2 1056.0 1033.3 1236,1 980,2 357,0 336,3 338,1 332.7 324,8 326,3 468,1 P/E Ratio (net) (")..... 12.57 12,51 12,70 13.40 12.24 12,24 10.81 Total bargains |Est. 36,504: 39,435 98,025 38,473 33,250 50,406 24,501 Equity turnover £m. - 233.21·1,054.78 875.88 947.34 982,84 453.86

♥ 10 am 1250.3, 11 am 1267.8, Noos 1266.2, 1 pm 1266.5, 2 pm 1268.0, 3 am 1256.3, 4 pm 1266.5, 0sy's High 1270.4, 9sy's Low 1256.3, 2ssis 100 Government Securities 15/10/25, Fixed Intercet 1928, 0rdinary 1/7/36, Gald Mises 12/9/65, 5E Activity 1974, Latest Isdax 01-245 8026, "Nil≈12.08. HIGHS AND LOWS S.E. ACTIVITY

	198	5:85	Sincs Co	ompliatin	INDICES	Feb. 25	Feb 24
	High	Low	High	Low	Daily Gift Edged	;	
vŁ Secs.	85.05 (26)2/68)	76,00 (28,1,85)	127,4 (3/1:56)	42 12	Bargains Equities Bargaiss		120.0
ked Int	90,38 (25/10/85)	82, 17 (28, 1,85)		(8/1/75)	Value 5 dayAverage	1886.32	
dinary	1275.2 (24;2/06)		1275,2 24/2/98	28/8:40\	Git Edged Bargains, Equities	135.7	180.3
id Mines	536.2 (15/4/85)	217,9 5/11 86	784.7 (15/2:88)	43.3 (25) 10/7 J)	Barnoine	255.0 1957.02	248.0 ,051.2

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a shade cheaper is places. Alfred move encuranced insectors to commit fresh funds. These move encuranced investors to commit fresh funds. These were directed invaries medium with a mount results and moved up a before closing 8 dsarer on balance at 120p. Amount and the strength for the good major fresh funds. These were directed invaries medium with a major fresh funds. Steeted dilts, he cause of generally sincle fluore returns, were more than the first of the control of the cause of generally sincle fluore returns, were more than the first of the control of the cause of generally sincle fluore returns, were more lone tap stock announced late on Therefore, and the control of the authorities to fundiog—the two major installments on the new lone tap stock announced late on Tuesday fail due in the next fiscal year—impressed of the new lone tap stock announced late on Tuesday fail due in the next fiscal year—impressed of the market this morning. Short filts were neglected in the sheene of any funding the control of the proposed following the preliminary figures left Blnebird Toys 15 lower at 203p. Renewed speculative

YESTERDAY'S

ACTIVE STOCKS

results with a gain of 0 at 122p, whils Dominion International were noteworthy for a rise of 7 at 113p. In costrast, isotron, a particularly good market of late, fell 25 to 280p following the halfyear figures. Most leading miscel-laneous industrials picked up from a dutt start. Glaxo settled only 8 cheaper at 965p, after 955p, while Beecham, down to 955p, while Beecham, down to 368p at 05e stage, encountered fresb buying laterest at the lower level and 00tshed 3 firmer

Among Lelsure issues, Horizon Travel firmed 3 to 116p oo sews tht 1EP Securities, a subsidiary of Isdustrial Equity, holds 9 7.4 per cent stake in the company. Herrburger Brooks added 3 to Theorem 19 to 1 71p reflecting the improved balf-

year figures.

After Tuesday's bout of profittaking, investors returned for
Jaguar and Lucas Industries
which both closed 17 higher at
468p and 618p respectively.
Aerospace Engiseering, on the
other hand, fell 7 to 57p on
fading hopes of a bid from Hehit
Precision Engineering, while the
recently favoured Armstrong
Equipment cheapened 4t to
101tp following a reported bid
denial.

andependent Newspapers 50, vanced 17 more for a two-day gain of 25 at 310p in response to the bumper annual results. Olives Paper Mill, however, dropped 5 to 33p in reaction to the disappointing preliminary figures. Carlton Communications, still reflecting the sale by former managing director. Mr. Michael managing director, Mr Michael Luckwett of his 11 per cent stake In the company at 740p per share, lost 20 further for a two-day relapse of 60 at 760p.

Haslemere Estates, in recelpt of a 600p per share cash offer from Robeco, touched 640p prior to closing a net 13 higher st 635p following a Press report that the letter is poised to raise its bid to 655p per share, MEPC, the Property sector's other cur-rent takeover favourite, en-countered light profit taking and slipped S to 3655.

slipped S to 3658.

Courtaulds costinued firmly in Textiles, closing a further 2 dearer at 235p. Aliled found support at 470p, up 10, while Bebron improved a few pence at 51p and Stroud Riley Drommond hardened 2 at 75p, Harold Ingram, bowever, lost S at 125p. In Financial Trusts, J. T. Parrish reflected revived demand in a thin market with a gain of 30 at 730p. Ex-Lands improved 2 to 26p as did Kwahn to 31p. Barrie Investment and Finance hardened a fraction to 8p with the help of call option activity. The oil majors recovered smartly from an initial mark-thou. to close on, a firm, sote. British Petroleum were finally 6 op at 543p, after 535p, and Shell 4 dearer at 707p, after 701p.

4 dearer at 707p, after 701p. Ultramar improved steadily to close 5 higher 2t 215p, but Britoil demand prompted a rise of 10 to 180p in Beatson Clark, but settled a couple of pence cheaper takeover favourits Caristies International ran back 7 to 336p on nrofit-taking. Dealings resumed in Havelock Europa at 230p compared with suscension price of 215p following details of the oroposed merger with Store Design. Electo responded to the half-year close 5 higher at 215p, but Britoil Burman, a sunleigh Electronics, Abaco Investments, Aberdeen Steak Houses, Fremier Oil, Rand Mines Properties, Aldcour attentational, Properties, Properties, Aldcour attentational, Properties, Properties, Properties, Aldcour attentational, Properties, Properties, Aldcour attentational, Properties, Properties, Properties, Aldcour attentational, Properties, Pr

TUESDAY'S

ACTIVE STOCKS

South African mining markets displayed a narrowly mixed profile as recent investment enthusiasm was hindered by a decline in the buillion price and another steady abowing by sterling against the dollar.

Quietiy duti at the outset reflecting builton and the non-commutal overnight tone in New tork, Golds subsequently staged a minor rally around mid-day following attempted "cheap" buying from Continestal and Cape sources. These were often frustrated, however, and quotations 5500 reverted to opening

Amoog heavyweight Golds, fractional losses were sustained by Southvaal, £321, and Libanon, £121. Vaal keers closed # off at £55 although sectiment here was barely affected by consideration of the strike by black miners. In contrast, Winkelhaak improved a half-point to £151, while OFSIL hardened # to £214. The FT Gold Mines index closed 0.7 up at 337.0, while bullion settled \$3.5 lower at \$346.75 an ounce.

A elight easing in recently

A slight easing in recently buoyant platinum prices—tha metal closed around \$413.5—felled to unsettle the leading producers. Impala advanced 20 more to 690p, while Rustenburg bardened a few pence to 765p. Australian mines recovered most of the losses sustained on Tuesday. North Broken Hill at 112p, regained 4 of tha previous day's decline of 16 that followed news that the Australian Supreme Court had ordered IEL to dispose of its disputed 6.5 per cent stake in NBH.

Among Tins, Cornwall's Geevor hardened a few pence to 66p, but Ayer Hitam revealed reduced Erst-half profits and dividend and dipped 12 to 188p.

Traded options

Business in Traded Options—severely shortened on Tuesday owing to computer, problems—returned to full swing with 21,650 contracts done. The FT-SE 100 index was particularly active with 1,961 trades struck, business being equally split between calls and puts. British Telecom recorded 2,760 calls, 1,246 of which were transacted is the May 200°s, and 676 puts. Interest also revived in speculative favourites Lourbo and Beecham which attracted 1,159 and 1,663 calls respectively. Elsewhere, operators disployed fresh enthusiasm for the long gift ootlon—Treasury 111 per cent 03/07—which attracted 987 calls, 355 in the May 112s. Business in Traded Options

TRADITIONAL OPTIONS First Last Last For Dealings ings ings tion ment to ment for May 29 June 29 Mar 1 Apr 4 June 26 July 7 For rate indications see end of Unit Trust Service

Stocks favoured for the call liceluded Forkshire Chemical, STC, Norfolk Capital, Birmid Qualcast, Carless Capel, A. & M., Barrie Investment and Finance, Sunleigh Electronics, Abaco Investments, Aberdeen Steak Houses, Fremler Oil, Rand Mines Presenting Aldron, Abarostopal Capital Computer Steak

RECENT ISSUES

t la	Page 1
d nad see 1980rd Stock See + or 2	- E 8
160 700 713 340 385 Gable & Wireless SOL 340 45 75 76 77 77 77 78 78 78 78	25 4.4 28; 9.6 2.7 22; 21 2.6 4.2; 1.6 5.7 2.0 2.7; 1.6 5.1.02; 78 4.5 1.9; 25 2.2 4.4; 25 2.2 4.4; 5.7 2.8 2.5; 6.7 2.

 FIXED	IN	TER	EST	ST	OCK:

Issue price £	皇皇	물론병		_		Stoc	k		Olosing	+-0
97, 203 88, 253 99 196, 287 192, 745 III	225 230 F.P. 225 C25 NII F.P. F.P.	19/5 11/4 25/4 127/3 10/3	27\s. 307s 206 1023 27\s. 387s 165ppm 89 2108 2108 2108 2108 2108 2108 2108 2108	201; Allie 501; Am 94 : Ang 91 : Est 251; Can 853; Firs 99 : Mar 99 : Mar 99 : Nat	erican i plo-Nort Do, strovino st Scot. vrence statop i cas Leid iogwid 12 22	Prope. 1923 Medical in 10 11 12 2 (10 2 Cnv. Ini Ests. I Am. 11 12 2 (W.) 8.52 Cr Prop. 9 4.20 sure 11 12 2 e Eidg. 80	ilstMort ti,2;% Ur Jm. Pf Uns. Ln. tylet Mo ty Cum. ay, Uns. tyles. tyles.	Deb.2021 18.Ln.2011 182/92 11.Db.2016 015 Red. Pref. Ln.122/04 011 1.22/04	2514 3034 106 29 9738 3214 1000 10112 1004	+36 +16 +1 -19
699.318 127.956	ESS F.P.	15/4 06/3 25/4 07:5 28/2	4ppm 3 1054 9778 150 4234	opm Por 951: Ros 261: San 93 Tel 561: The	ter Chi etaugt nus i Pr fos 9% i f. Finan rogmot	ed. 8% Onv Greycost ops. 1-1% 1 Prof. co 11-2% G ton USM 54	Cum.Re 11% lst N st. Mort bt. Deb. 2Pt.Cnv	ci. PT(. '84 ft Dt) 2014 Deb, 2016 2015 Red, Prf.	1034 275 100 421 99	- 1

RIGHTS OFFERS

766 F.P. 21/3 680 785 CALA 60p	lesuo		Latest Renunc.	198	5/6	Stock	, !	40	+ 01
786 F.P. 21/3 830 785 CAA 60p	price	58	- Cate	High	Low			ğā	!_
	765 0m300 236 R 10 207 330 94 215 35 115	F.P. NIII F.P. NIII HIII HIII NIII F.P.	21/3 13/3 13/3 24/3 10/5	850 45pm 305 15pm 245 52pm 24pm 73pm 44 28pm 34pm	765 50pn 275 15pn 215 20pn 50pn 12pn 47pn 28pn 28pn	GALA 50p. ¡Commerchank B. Cray Electronies ¡DAB invs. ¡Electron Hae. I ¡Do. ; ¡High Point Bervic ¡Malgart Hidgs. 6 ¡Midaumwer in ¡Watker (C & W) il ¡Watker (C & W) ¡Watker (City of i.c. ¡Watker S Commerchant	m10 10p Units 7 , set 20p ns 50p	795 30pm 305 16pm 243 34pm 52pm 84pm 73pm 42pm 20pm 34pm	+7 +3 +1

RISES ANI	D F	ALI	LS	NEW HIGHS AND
YESTERDA	Y.		1.,	LOWS FOR 1985/6
	Rives	Falls	.Same	BRITISH FUNDS (56), CORPORATION LOANS (1): LOANS (1), AMERICANS (1),
British Funds	63	28	. 28	**EXNES**(5), ERFWERE (1). EUILDINGS (6). CHEMICALS (3), STORES (5), PLEC- TRICALS (5). ENGINEERING (7). FOODS
Corpus. Dons. and Foreign Bonds	16	6	55	(9). HOTELS (1), INDUSTRIALS (19), INSURANCE (5), LEISURE (3), MOTORS (3), NEWSPAPERE (2), PAPER (5),
Industrials	309	360	247	PROPERTY (S): SHIPPING (2), SHOES (1). TEXTIES (3), TRUSTS (22), OILS.[2].
Financial and Props.	116	124	334	NEW LOWS (19)
Oils	25	27	73	CANADIANS (2) Bank of Hove Scotta, Canadian Pacific, CHEMICALS (1) Soctials Agricultural Industries, INDUSTRIALS (2)
Plantations	2	4	10	Colorgen, Lifecare International. LEISTRE (11 A and M Group, PROPERTY (1) Con-
Mines	37	46	96	Figures and Investment, ORLS (6) Bridge
Others	62	51	116	Oil, Claremont Perroleum, Crusader Oil, Genoa Resources, Gerber Energy, Mapellan Petroleum, Ozosota Hydro, Samos,
Tatals	632	637	1,561	PLANTATIONS (2) Harrisons Malaysian, Highlands and Lowlands MINES (1) Sal- moral Resources,

FT-ACTUARIES SHARE INDICES These Indices are the joint compilation of the Financial Times. the Institute of Actuaries and the Faculty of Actuaries

Wed Feb 26 1986

& SUB-SECTIONS					1101 101 20 2700							24	21	(Telebray)
F	gores in parentho stocks po			of ted	. Ch⊯	n's	Est. Earsings Yield%)Max.)	Gross Dir. Yest % (ACT at 30%)	Est. P/E Ratio (Net)	nd adi. 1986 to date	twicz No.	Index No.	Index No.	Index No.
1	CAPITAL GOOD)S (213)		666			8.54	3.48	24.71	1.37		672.68		
2	Building Materia	us 1241		707.		L4]	9.31	3.84	13.46	8.50	710.75	710.91		
3	Contracting, Con Electricals (13)	RELINCTION	127)	1031		. 1	8.77	414	14.95	2.30	1931.56			697.A3
5	Electromes 1381			1844			7.95 8.86	2.77	14.83	1.50		1637.87	1001.68	1491.17
ĕ	Mechanical Engl	ine cri na)	641	370			9.53	4.02	12.79	6.02	,	1678.70		1717.97
8	Metals and Meta	d Formin	g (7)	300			7.33	5.51	16.65	0.00		371.18		
9	Motors (181			270.			347	3.40	14.04	0.34	267.04	274.96		
lo	Other Industrial	Materials	s (22)	11130	55 -0	.5	6.41	3.05	18.60	2.35	1186.96	1202.95		
7.1	CONSUMER GE						8.00	3.30	15.72	2.07	844.33	850.50		
22	Brewers and Ols	tillers (2)	3)	849.			9.31	3.65	13.67	4.04		341.87	542.09	557.A2
5	Food Manufactu	rang (22)	· F cours on page 1000	605.			9.97	4.17	12.96	1.68		606.33		499.81
70	Food Retailing I	141 مام فرامان	where CIC	1678			6.38	2.47	21.29		1855.03			1409.84
27	Nealth and Hous Lessure (25)	CIODIO PTT	MARIE (TO	360.			5.29 7.54	2.23 4.02	22.20			1496.53	1459.93	
2	Publishing & Pri	etrop 113		2115			7.99	4.31	17.09		870.76 2178.63	969.07 2196.62	862.12	
3	Packaging and P					- 1	8.20	3.78	14.49	0.07	421.05	422.10		
Ã	Stores 1431						6.64	2.68	20.36	1.06		805.84		303.90 547.60
5	Texules (16)		·····	474.			20.34	3.67	10.97	215		462.67	62.20	337.54
6 i	Tobacces (3)			1921	20 -0	6	12.93	4.87	8.91	0.00	1027.26	1050.28		887.25
1	GTHER GROUP	5 (85)	·····	774.			8.88	3.80	14.76	1.50	767.A6			659.52
2	Chemicals (19)		***************************************	858.			11.64	4.51	11.35	2.32	857.22	881.93	855.41	\$17.92
4	Office Equipment	(14) <u></u> .		254.			7.62	3.96	15.63	3.81		251.10	256.01	178.48
5 i	Shipping and Tra	insport)1	2)	1536.			6.64	3.78	18.60		1532.24			1101.92
7	Telephone Netwo	ortis (2) .		- 906.			7.07	3.62	15.06	0.73	887.31		574.69	758.28
81	Miscellaneous (4	R1		974		_	7.05	3.49	17.35	1.68	973.97	976.77	£3.03P	826.06
9)MDUSTRIAL C						8.35	3.47	15.22	1.76	788.63		782.31	617.50
1]	아 & 6과 11위			1134.	54 +0	7	19.23	\$700	6.13	23.65	1127.00	1107.81	1102.78	1281.97
٦	500 SHARZ IND	EX(500)	<u></u>	821.	67 +0	A	7.51	3.95	13.14	3.30	818.76	822.26	833.04	664.57
17	FINANCIAL GR	0UP(111	5)				-	4.32	-	0.23	560.11	556.97	558.05	442.07
2)	Banks 17)						16.83	5.71	2.39	0.80	550.21	544.53	557.37	64.13
5	Insurance (Life)						- 1	4.10	_	0.00			806.59	597.27
6	Insurance (Comp						I	4.23		6.00	457.29		449.78	306.55
?	Insurance I Broke Merchant Banks	75) 18)		1270. 326.		7	6.66	3.37 3.20	20.05				1272.20	
8						, [5.40	3.36	26.78	0.06	326.08 737.39	326.22	319.68	236.18
5	Other Figureial C	25)					7.35	4.07	16.32	0.98		740.72 330.95	742.66 324.01	620.43 287.24
1	Investment Trust	c (13 (33)	4-4	. 688.		_		3.15		1.90	690.19	690.59	683.38	633.12
il	Mining Finance)	31		279.			11.97	5.56	9.72	6.00	280.62	275.91	269.74	292.90
ī	Overseas Traders				13 +0.	2 []	13.26	6.39	8.94	7.55	652.92	667.63	670.74	
計	ALL-SHARE IN				18 +6.	3	_ 1	4.01	_	2.56	743.92		737.54	608.49
↤				Inde	_	\rightarrow	Day's	Day's	_			_		
- 1				No			High	Low	Feb	Feb	Feb 21	Feb	Feb	Year
+		AC IMPE	-		6 +6.	- T	TRACE	1538 6	25 1527.7	24 1	-21	20	19	ngo_
_1	FT-SE 100 SHAI	KE INDIE	~ ф	. 1 1554	WO1 +6.	4 17-	334.6	1210'6	1527.7	1533.11	1519.0	2492.11	1491.4	1258.8
	FD	KED	INTE	REST				AVERA REDEA	CE GRO	SS. YIELDS	1	Wed Feb 26	Tues Feb 25	Year ago Cappros.)
_		Wast	I I	Tues	-4	1	_T_	Britis	Cevern	ment				
	PRICE	Wed	Day's	Feb	nd add,	M 4		1 Low	5	years		1.41	9.63	11.11
-	N6 ICES	Feb 26	change)	25	today	198		2 Coupon	s 15	years		9.75	9.79	18.75
		- 20	9,			**	1 .	3[25			9.75	7.20	10.41
- }:	iritish Covernment			- }				Medium		Years		10.67	10.68	11.53
	year		} — I	119.82	_	14		Coupon				10.32	10.16	11.12
	-15 years	134.61	+8.51	134.20	_	2.3	13 1	Dies.	25	years		9.87	9.91	10.60
-:-						_	-,	при	. ,?	years		<i>1</i> 0.75	10.79	11.94
	her 15 years	141.54	1 1		_	2.4		Coupon		years	}	10.33	30.34	11.37
į	rredecmables	156.13		155-26	_	14		Irredee		years		9.97 9.65	10.05	10.74
5!/	li) stocks	132.22	+0.18	131.97	_	1.9	×⊢≕				=;;	340	9.71	10.15
1	ndex-Linked		 		•		ᆌ "	Index-			1	!	}	
Ι.		100.04		100 03				Luflat's Inflat's			yrs	427	424	0.0
	years	188.94		108.93	-	u			rate 10%	Over 5		3.71 3.26	3.71	8.8
7 6	her 5 years	110.12	-0.07		_	0.7			rate 10%		YFS	3.55	3.19	8.0
1	VII stocks	109.91	-0.67	109.99	_	כס	/3					-	3.54	8.8
+			 	- 			-4 5	Debs &		5 years.		11.50	11.41	12.34
1	ebentmes & Laura .	114.14	-0.32	114.51	_	12	2) #	Lanes		5 years		1.29	11.15	12.11
+							= 17	1	- 2	5 years.	1	0.97	10.93	11.95

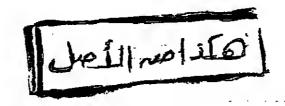
Opening index 1519.3; 10 am 1523.0; 11 am 1531.7; Noon 1531.9; 1 pm 1531.4; 2 pm 1530.9; 3 pm 1532.2; 3.30 pm 1533.7; 4 pm 1533.3. † Flat yield. Nights and lows record, base dates, values and constituent changes are published in Saturday issues. A new list of constituent is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London EC4P 48Y, price 15p, by post 28p. CORRECTION TO FOOTNOTE: Wellcome was inserted into (27) act (6).

EUROPEAN OPTIONS EXCHANGE Vol. | Last | Vol. | Last | Stock 52 1 20 ---20.70 15,30 5,30 5,50 10 1,50 B 10 02,50 B 2 7,30 125 2,60 57 1,90 0 3 15 1 0.70 8 10 | 0.70 | 55 | 1.90 50 | 1.50 28 | 8.30 0 | 14 8 6 iFL 98.80 70,00 60.20 6.60 9,30

NEGN P	FL110, 113 F1.80 5	1,30	13	12.70 3,20 A	47	14.50 4.50	5. 5. 6.FL 70,00
AH F AKZO C AKZO P	FL70, 115 FL150, 402 FL150, 117	5	10 23 27	4,80 B 8,20 9,30	21 5	13	FI,160.29
AMEV D	FL80 13 F1.85 —	3	51 10	11.80	-7	6.80	F1. 75.60
AMRO C	FL110 861 FL100 151	1,90	14	4,50	21	7.80	FL 99.30
AMRO P DIST C DIST F	FL280: 77 FL260: 97	15.50	5	5,30 2.50 20	10	7.50	FI.249
HEN C	FI.220 176 FI.210 187	5,20	. 3	8.30	9	21	F1,8"4
1000 C 1000 P	F1.90 862 F1.75 215	4 88	· 30 1 75 4	8.50 A 3,50 2.30	7	6,30	F1. 82,60
KLM C	FL50 491 F1,60 425	1,90 5,40	86 54	3.90 5.80	10	3,50	FI. 58.60
NEDL C	F1.220 64 F1.270 55	1.20	10	9.60	Ė	8.20	F1.176
NATH C	F1,76: 69 F1,80: 80	2,90 8,30	2 11	: 4.70 8.70	50	6,50	FL 72
PETR C	Fr.6500 8 Fr.65: 1489	380 1.80	1170	8.70 : 3.20 :	-	1 =	Fr. 5660
PHIL P	FI.85 388 FI.190' 478		225	e,50 4.1u	186 32	4.80	FI. 66.10
RD C RD P ROSE C	FL 170 1073 FL 62, 50' -	3	173	4.80	235	11.60	Fl.176
ROBE P	FL85 5 FL80' 150	! a.60	_	i ;		! =	FL 85.10
INIL C	FJ.360. 71	14.60	ĩ	23.50	13	24	F1.356,50
TOTAL VO	LUME IN CONTR		2,300,				
	A=Ask	8=Bid	C=	=Call	P=Pu	rt.	-
					-		

LONDON TRADED OPTIONS															
		•	CALLS			PUTS		<u> </u>			ALLS	•		PUTS	· ·
Option	n	Apr.	July	Oct	Apr.	July	Oct.	. Option	<u>.</u>	May	Aug.	Nov.	May	Aug.	Nov.
8,P. (*545)	550 550	55 23 7	7a 40 15	82 82	6 62 60	30 60	15 40 68	P. & O. (*495,	420 460 600	78 45 23	59 55	70 48	6 88	15 32	19 37
Cons. Gold (*477)	460 500 550	40 20 5	57 55 15	57 42	15 45 65	84 60 97	57 57	(*194)	160 180 900 220	42 26 16 9	58 40 26	46 34 22	. 3 7 14 99	17 32	11 20 54
Courtaulda (*253)	180 200 220 240	50 40 24 14	54 45 30 12	68 53 57 26	0 7	5 11 22	4 14 24	R.T.Z. (*322)	.550 .550 600	134 95 60	142 102 57	115 80	8 8	15 34	20 44
Com. Union *283j	220	80 66 45	72 53	73 69	3 6	1 8	1 8	Vasi Reofs (*585)	60 70 80	164 24		23	5 7	58 ₄	5 10
	250	28	38 25	43 51	15	15	15	Opt		Feb.	May	Aug.	Feb.	May	Aug.
Cable &Wire (*630)	650 600 550	95 52 25	115 78 45	140 105 62	10 55	15 40	10 20 45	Ex 10% 1989 (*£96)	100	176 0 to 5 to	=	ΙΞ	874 074	Ξ	ÌΞ
5 istiHers (*620)	550 550 600 550	155 85 38	137 88 46 12	90 47 19	115, 7,	114 2 13 40	3 90 43	Tr. 1178 1961 (*£104)	108 104 106	74	2 11 a 0 3 q	1 11	4 —	0/8 1/8 912	
G.E.C.)*200)	160 180 650 220	46 29 10	54 58 20 12	62 44 28	2 4 10 84	3 6 13 28	13 30	(*£113)	108 110 112 114	544 54 10 0	614 45a	714 50	0.1	1 144	1 1 5
Grand Met	330	25	1107	1 -	1 2	1 2	1 =	Optio	n .	Mar.	June	Sept.	Mar.	June	Sept
- *418	560 390 400	35 40 15	85 50 32	90 72 50	5 6 08	10 13 05	12 22 50	Beechem *578)	300 330 560	87 37 38	27 70 30	109 77 67	1 3	4 8 20	6 25 25
1.C.I.	950 950 550	120 72 40 55	90 60 35	135 57 57 42	13 38 68	57 77	55 53 60 90	Boots (*237)	220 240 260	23 11 3	31 23 23	40 40 26 17	3 0 25	50 18 25	1 33
Land Sec. (*305)	280 300 330	55 34 15	58 41 21	60 50 27	17	5 21	10 22	BTR (*430)	360 590 420 460	78 50 30	07 72 47	105 80 58	0 4 10	12 17	15 15 07
Marks & Sp. (*100)	140 160 180 000	55 53 18 7	44 98 13	40 32 21	7 7 84	3 11 22	5 13 26	Bass (*680)	600 650 700	10 20 46 17	110 70 35	180 95 80	4 12	8 26	17 38
Shell Trans. (*710)	650 700 750	65 30 7	75 38	83 50	12 35 35	15 48	27 60	Blue Circle (*586) De Beers	650 300	43 18	88	72 40	45 5 53	18 42	25 50
Traf'gar Hae	500 530 360	46 27 11	60 35 19	60 44	12 12 26	17 22	11 21	("\$6,75)	600 660	100 62	165 116 72	175 130 95	10 25	15 30 45	90 40 60
Oppor		May	Aug.	Nov.	May	Aug.	Nov.	(*836)	880 300 330	57 58 20	61 47 30	87 82 86 40	2 5 11	-5 8 15	5 8 12 19
Brit. Aero	420	98	117	-	4	! 5		("905)	850 900	130 25	150 120	175 150	20	12 30	80 40
(*508)	450 500 550	62 59 18	82 57 35	97 75 45	15 27 60	98 36 60	28 45 72	Hanson	250 1000 1050	80 85 20	855 49	100 80 85	30 80	46 80 110	55 85 120
BAT Inde (*346)	280 500 330	90 55 40	25 75 52	 55	11g 3 18 50	5 17 32	- 20 33	(°165)	160 160 185	15	14 116	26 20	10	7	11 15
Barclays (*467)	420 460 500	57 37	79 50 30	35 :	8 28 47	12 27 50	32 52	(*468)	390 420 460 500	53 57 50	90 68 45	185 105 50 63. 27	11 ₂ 5	7 13 32	6 11 90 57
8rt Telecom (*184;	120 200 220	26 111g: 41g	22	33 21	3 11 27	12 28	17	Thorn EMI (*447)	550 590 420	90 60 58	25 105 77 53	26 72	46 0 8 7	5	57
Imperial Cr.	240 260 280 380	79	51 61 45 27	- -	1 1 2	20 2		Tesoo (*345)	280 300	70 j	80 53	47 86 68 50	23	13 30	10 16 36
	580 [59 39 23 5	21	34 15	22 ·	0 29	11 26	Option	330 Feb	25 l -l	49		÷ 1	18	18
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المكذاصر الأصل



WORLD STOCK MARKETS

1		WORLD STO	CK MARKETS
	AUSTRIA GERMANY NORWAY Feb. 25 Price + or Feb. 26	Price + or Price + or Feb. 25 Yen - Feb. 25 Yen - Feb. 25	CANADA
	Credit nst*Pt pp * 2,320	Ball 1.5	Same State State Date
14	BSM Gervale 3,250 -196 AFGON 99,5 +1.2 sandoz (Pf Ct CfT Aleate) 3,550 -115 AKZO	1.576 —85 Dal Nippon Ptg - 1.560 +10 Maray Utd, Ind - 1.17 Maray Utd, Ind - 1.17 Multi Purpose - 0.45 Dalwa House - 960 +16 Multi Purpose - 0.45	Indices
N ROSE VS FOR	Coffmeg	Section Sect	Feb
3	OVER-THE-COUNTER Nasdag nati		Ind. P/E Ratio 15.36 15.12 74.89 11.34 NORWAY Dato SE (4/1/85) 266.01 254.47 254.58 266.07 412.00 (12/11) 208.18 (2:1/85) N.Y.S.E. ALL COMMON BISES AND VALLS GINGAPORE
	Stock Sales High Lee Let Chreg Continuous From Page 39	Stock Soles High Law Last Clarg Black Sales High Law Last Clarg Black Scales High Law Last Clarg Black Scales High Law Last Clarg Scales Scales High Law Last Clarg Scales Scales High Law Last Clarg Hinds Hinds	The complete Color
	CHECK EVERY DAY IN THE FT	US DOLLAR THE WORLD VALUE	Continued from Page 39 Signature Continued from Page 39 Signature Sig
			1 2T 15/ ₄ WA-4 pt 2 T.5 60 26-8 26-16 26-16 19 ₈ 51 ₈ Wilmer 166 51 ₈ 55 ₄ 55 ₄ - ບໍ່ໄ45ປູ 265 ₄ Zumin 132 S1 15 54 427 ₆ 420 ₄ 420 ₄ ້

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

نهاذاصر الأصل

NYSE COMPOSITE CLOSING PRICES	AMEX COMPOSITE CLOSING PRICES
Part Part	Sect. Bis. 1 fills. High Law Clean Deep According 1 to 2 to 2 to 3 to 3 to 4 to 5
58% 45 Penrop 230 3.8 12 1517 082% 21% 257 + 15 44% 237 Sqrwler 1.62 38 45 15 15 12 2180 0.53% 54% 557 57% + 11 12 1517 082% 21% 257 57% + 11 12 1517 082% 21% 257 57% 57% + 11 12 1517 082% 21% 257 57% 57% + 11 12 1517 082% 21% 257 57% 57% + 11 12 1517 082% 21% 21% 21% 21% 21% 21% 21% 21% 21% 2	Stock Sales High Low Last Clong Hinds

FINANCIAL TIMES WORLD STOCK MARKETS

WALL STREET

Heartened by optimism on inflation

OPTIMISTIC comments on inflation from Mr Paul Volcker, the chairman of the Federal Reserve, brought strong gains in federal bonds yesterday but found a more cautious response in the stock market, writes Terry Byland in

The Dow 1,700 mark was pierced twice, but gains in the blue chips were fading at the close, and the Dow ended just short of its most recent peak.

In heavy trading, the stock market traced an erratic course, losing an early gain of 10 Dow points and then moving up again late in the day. The Dow Jones industrial average closed a net 4.24 points up at 1,696.90. Turnover remained high, bringing an NYSE shares total of 158.5m.

Firmness in oil industry stocks again lifted the American Stock Exchange index to a new peak, with stock in Philippine Telephone beading the actives list.

Bond prices bounded up % point when the Fed made a further \$1.5bn in customer repurchases, the third successive daily help to liquidity, hut gains were soon cut back, reflecting the market's doubts that the Fed's moves reflect any

1200

NEW YORK

LONDON

TOKYO

Nikkei

AUSTRIA

BELOWN

CANADA

DENMARK

SE

FRANCE

CAC Gor

Ind Tendance

WEST GERMANY

Commerzbank

FAZ-Aktion

HONG KONG

Hang Song

Banca Comm

NETHERLANDS

ANP-CB\$ Ger

ANP-CBS Ind

Oslo SE

SINGAPORE

SOUTH AFRICA

JSE Golds JSE Industrials

SWITZERLAND

WORLD

Swiss Bank Ind

MS Capital Int'l

Silver (spot fixing)

Oil (spot Arablan Light)

Cooper (cash)

Coffee (Mar)

Lendon

Zunch

Paris (fixing)

New York (April

SPAIN

ITALY

Credit Akti

Belgian SE

Toronto Metals & Minis

Tokyo SE

AUSTRALIA All Ord.

FT Ord

DJ Industrials

DJ Transport

FT-A All-share

FT Gold mines

FT-A Long gilt

Metals & Mins.

FT-A 500

Tokyo New Stock Exchange Jan 4, 1968-100

1983

780.39

184.65

223.79

746.18 818.76

10.05

13,621.70 13,576.21 12,195.00

1,081.30 1,079.56 967.02

3,225.39 3,261.19 2,233.42

2,198.2 2,189.7 - 2,077.0 2,827.2 2,808.5 2,584.8

136 75 135 86 130.07

230 78 230.80 172.62

323.5

1219

1,893.7 1,909 9 1,164.4

1,746 30 1,746.05 1,402.86

235 8

355.01 354.47 325.96

626.86 629.06 825.97

1.159.3

120.75 119 62 83.44

1,902.60 1,877.45 1,429.05

569.3

278.7

395,55p

n/a

Feb 26 \$346.75

\$346.25

S349.22

\$338.50

£2,553.50 £2,542.00

₽955.75

632.81 401.34

71.3

158.1

888.6 861.7

193.8

405.350

n/a

£986.00

\$350.25

\$351.50

\$354.04

\$350.00

120 4

628 70

236.5

566.2

Feb 25

2796

COMMODITIES

GOLD (per ounce)

113.44 113.73

S19.9 462.5

STOCK MARKET INDICES

Feb 26

743.92

821.67

337.0

1,696,99 1,592.66

1984

202.52 631.20

148.44

608.49

664.57

468.1

10.89

1985

Yen

Lira

BFr C\$

"The Fed's actions have all the marks of a response to a technical problem," Dr William Griggs of Griggs & Santow, the credit market specialists, said. "If the Fed wanted to give us a message, it could have skimped (last week's) matched sales, or made system repurchases."

The stock market bounced higher with the credit sector but quickly lost impetus. The underlying tone remained confident, but with a correction bout widely expected, investors were nervous and backed off when the market turned

Major market indices were again hoosted by strong gains in Union Carbide stocks. The when-issued Carbide stock, which will benefit from a dividend based on the price obtained for the consumer divisions, again featured in the NYSE active stocks list. The stock gained \$4% to \$97% on reports that there is no shortage of potential buyers for the divisions on the selling block.

A block of 1m sbares boosted turnover in Eastern Air Lines, \$% up at \$8%, although there was only a cautious re-sponse to hints of a rival hid for the trouhled airline. Other airline stocks steadied as Wall Street waited for further progress on the planned merger of Texas Air and Eastern.

United edged up \$1% to \$57% and American \$% to \$50%. Pan Am remained a dull spot, shedding \$14 to \$7% in thin trading.

The steadier trend in the oil futures markets continued to buoy major oil stocks. Exxon shed 5% to \$54, Phillips added \$% to \$10% and Chevron \$% to \$38. Heavy trading left Texaco \$% better at \$30% while Pennzoil at \$56% eased a fur-

CURRENCIES

2.2480

181.20

6.9085

1.8870

46.00

1.3850

INTEREST RATES

US BONDS

103'52

137.91

131.07

139.88

162.61

Price Yield

Feb 26 Day's change

+0.19

+0.08

+0.18

+0.85

101% 10.00

96'4

106

11.80 Feb 2013 112½ 10.40 114¼ 10.23

FINANCIAL FUTURES

104%

Yield

9.24

8.80

STERLING

1.4925

269.75

2.8125

2.0775

4% 4% 14%

7'% 7'% 7'% 7'% 7.725 7.075

Price Yield

3.35

Feb 26 Previous

1.4885

3.315

10.2

2.7975

1,527.5 2,256.75 2,279.75

2.076

4%

8% 7.55 7.005

100% 7.862 100% 7.913

103432

Yield

8 31

8.14

7.94

8.22

8.56

9.70 106'4 9.97

114 10.65 112% 10.85

91-27 92-03 91-08 91-15

93.05 93.06 93.01 93.07

92,42 92.43 92.39 92.43

92.10 92.11 92.07 92.12

115-06 115-06 113-29 114-09

Day's

-004

-0.03

-0.03

-0.03

-0.06

7.04

Price Yield 101 10.07

96'4 9.24

102" 8 8.263 102" 8.31

10719 8.554 1071 ha 8.598

8.359

US DOLLAR

2.2275

1.879

1,515.5

1.3955

(3-month offered rate)

(offered rate) 3-month US\$ 6-month US\$

U\$3-month CDs

1993

1996

2018

Treasury Index

9%

1-10

Corporate AT & T

10% June 1990

3% July 1990

84 May 2000

10% Mar 1993

10% May 2013

124 Dec 2012

CHICAGO

US Treas

LONDON

Mar

8% 32nds of 100%

S1m points of 100%

\$1m points of 100%

Three-month Eurodoi

\$1m points of 100%

£50,000 32nds of 100%

Abbol Lab

Olamond Shamrock

Federated Oept Stores

US Treasury Bonds (CST)

ury Bilis (HMM)

el Çik

Certificates of Deposit (IMIN)

Treasury

🎎 🧩 KEY MARKET MONITORS 🖰 😂

ther \$\% as Wall Street waited for the outcome of the \$11.1bn penalty payment case against Texaco.

IBM held on to a gain of \$1% at \$158%, hut the rest of the technology sector looked mixed. Digital Equipment, up \$1% at \$186%, and Burroughs, up \$% at \$70%, provided firm spots.

Car stocks looked mixed behind the latest industry sales figures and further customer financing moves. General Motors showed no change at \$78%, but Ford added \$114 to \$70% and Chrysler \$% to

Except for Union Carbide, chemical stocks continued to weaken as oil prices turned steadier. Du Pont was hard hit

again, falling \$1% to \$69%, and Dow lost another \$% to \$48%. Among foods General Mills jumped \$3% to \$68%, responding both to a dividend increase and the adoption of antitakeover measures. Collins Food, however, turned down after the trading

figures, shedding \$% to \$13%.
In the credit markets federal funds moved above 8 per cent for the first time for some while, despite the Fed's help to liquidity, given when funds stood at 71% per cent. Other short-term rates moved

lower after a firm start.

Bond prices settled down with gains of
% point once the brief stir caused by the Fed's customer repurchases had died

TOKYO

Railways on express path to peaks

BROKERAGE HOUSES and individual investors were active in the Tokyo market yesterday when trading for delivery in March started, and share prices soared to yet another record high,

urites Shigeo Nishiwaki of Jiji Press. The Nikkei average rose 45.40 from the previous day to 13,621.70. Volume swelled from Tuesday's 582m shares to 903m, the largest since 1,246,25m sbares changed hands on October 1 last year. Gainers outnumbered losers by 457 to 426, with 107 issues unchanged. Small and medium-capital stocks ben-

efiting from domestic demand expansion, such as railways, were at the top of the shopping list while blue chips fell across a broad front. The strong market is supported by ex-

pectations for institutional investors to begin shifting at the beginning of the month to the stock market funds they have been managing through sbort-term financial instruments.

A securities house official said that there were signs that institutional investors would step up buying. But their enup stock prices as far as in early October

On the trading floor Tokyo Gas led the active list with 53.51m shares changing hands, rising Y5 to Y343. The issue was sought on the likelihood that the strong yen and lower crude oil prices could improve its earnings position. Further-more, it was considered a better buy than electric power issues.

Tobu Railway, the second busiest issue with 24.50m shares traded, advanced Y5 to Y500 while Odakyu Electric Railway and Tokyu added Y25 and Y5 to Y670 and Y690, respectively.

Domestic consumer issues were popular. Yamazaki Baking scored a maximum allowable daily gain of Y109 to Y1,100 on the strength of its strong business performance. Institutional investors were said to have placed massive huy orders for Yamazaki shares.

Showa Denko, which headed the active list on the previous day, came under heavy profit-taking pressure to close Y4 lower at Y253. Large-capital chemicals turned lower, with Mitsui Petrochemical Industries finishing at Y810, off Y10.

Blue chips were depressed by smalllot selling, triggered by reports that Toshiba's recurring profit in the busi-ness year ending on March 31 is expected to plunge 45 per cent from the previous year to around Y80hn.

After a weak start, bond prices firmed, bolstered by increasing buying by the dealer sections of banks and securities houses. The yield on the benchmark 8.2 per cent government bonds, maturing in July 1995, declined to 5.475 per cent from Tuesday's 5.500 per cent.

HONG KONG

1NVESTORS were quiet in Hong Kong ahead of the Government's budget an nouncement yesterday, and prices ended barely changed.

Blue chips were bought selectively by foreign institutions, but domestic investors were noticeably absent.

Swire Pacific, one of the main targets for buyers, gained 50 cents to HK\$34.25 and Hutchison Whampoa 10 cents to HKS27.10. Among the losers China Light and Power dropped 10 cents to HK\$16.10 and Hongkong and Shangbai Banking Corporation 5 cents to HK\$7.95.

SINGAPORE

SELLING and profit-taking in Singapore yesterday dragged shares down from their firmer position earlier in the session as concern over the financial position of some broking firms again raised its head.

The Straits Times industrial index, which was 1.16 bigher at noon, ended down 2.20 at 626.86.

Singapore Airlines, a popular stock over the last two weeks, turned 10 cents lower at S\$6.70.

EUROPE

Dollar rate bites into confidence

THE LOWER dollar continued to bite into investor confidence on the European bourses yesterday although a steady stream of corporate news offered some

Frankfurt remained firmly in the bear trap despite early attempts to stage a technical rally. That effort failed, and the Commerzbank index lost its grip on the 1,900 level with a mid-session fall of 18.2 to 1,893.7.

The noon slide of the dollar to DM 2.2438 heralded a sell-off as many export sensitive stocks, primarily car makers, suffered some brisk mark-

BMW finished DM 34 lower at DM 508 while Daimler-Benz, which led the market lower on Tuesday, retreated a fur-ther DM 22 to DM 1,168. VW lost DM 4.50 to DM 510.50 despite a solid profits performance at its Audi subsidiary. Porsche, long a hostage to exchange rates, slipped only DM 1 to DM 1,160.

A 3.6 per cent slip in group sales for KHD took the machine maker DM 16.50 lower to DM 298 while Linde was marked DM 13 down to DM 593.

Siemens surrendered DM 1 to DM 704.50 on the news that its power plant building subsidiary maintained profit levels last year, but turnover in 1985-88

is expected to slump.

The rising bullion price enabled precious metals refiner Degussa to hold steady at DM 445 while building group Holzmann added DM 19 to DM 504 after announcing that group revenue bad slipped 10 per cent last year but that its US operations remained huoyant.

The rest of the stores sector followed a firmer Horten, which added DM 10 to DM 246 while Kaufhof recovered DM 8 to DM 427.

Bond prices failed to respond to re-marks by Mr Gerhard Stoltenberg, the Finance Minister, that be wanted further falls in interest rates. Losses amounted to 30 basis points among longs. The Bundesbank market balancing operation amounted to purchases of DM 23.6m compared with Tuesday's befty sales of DM 113.8m.

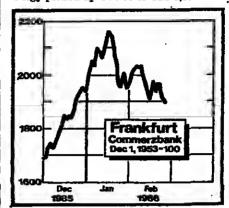
Moderate trading in Brussels left sentiment easier. Utilities and electrical bolding companies moved lower as interest rate expectations weakened. Hopes of a cut in withholding tax persisted, bowever.

Leading chemical stock Solvay dropped a further BFr 530 to BFr 7.320 in reaction to its US acquisition. Delha-ize was unchanged at BFr 9,800 despite news that the stores group was selling a loss-making US food chain and was setting up a new US management venture in deep discount outlets.

A listless start in Amsterdam, partly ascribed to the distracting Eleven Cities ice skating marathon, developed into a brief rally only to fade by the close. KLM was a feature with its 40-cent fall to FI 55.60 after Tuesday's international equity plans while Philips met its earlier forecasts of lower profits for the year and was duly awarded a 70-cent rise to

Buehrman-Tetterode firmed F1 5.10 to Fl 156.50, a new high for the year, ahead of a buoyant 1985 earnings statement due later this week.

The softer dollar subdued Zurich. Features were few and far between. Ciba-Geigy picked up SFr 30 to SFr 3,900 am-



id plans to take over an Eastman Kodak chemical division while Nestle bearer dipped SFr 25 to SFr 8,550.

Brown Boveri slipped SFr 20 to SFr 1,800 in delayed reaction to the sudden resignation of its chief executive.

Milan lost more ground in a technical fall from its recent peaks. Buyers, however, surfaced again in after-bourse trading with some interest on Generali which traded L3,900 higher at L93,000. Montedison slipped L114 to L3,385 as its Standa retailing subsidiary reported lower net profits.

Stockholm advanced in the wake of the Fermenta saga. Pharmacia, suspended on Tuesday jumped SKr 14 to SKr 194, Volvo added SKr 8 to SKr 330 and Gambro was SKr 3 ahead at SKr 94.

Paris was mixed, with Peugeot un-changed at FFr 892 despite its profit forecast. Madrid strolled calmly to another peak.

CANADA

ASSISTED BY the firmer tone on Wall Street, stocks in Toronto traded higher, Oil shares continued to firm with Dome Petroleum 21 cents higher at C\$2.35 after gaining 14 cents on Tuesday. Husky Oil C\$% ahead at C\$7%. while Imperial Oil class A added C\$% af-

ter jumping C\$1% the day before.

The easier trend continued in the banking sector, however, Bank of British Columbia lost a further 10 cents to C\$4.20 after suffering a 55 cent fall in the previous session on r cial difficulties.

Montreal was also generally firmer.

LONDON

Trade data an uplifting influence

AFTER a cautious start to the session in London, demand revived for both leading shares and government stocks.

Currency considerations prompted re-newed buying of International and industrial stocks with overseas earnings potential, and after the mid-morning news of last month's trade figures, the tone was especially firm. The surplus on current account for January was £1.14bn (\$1.7bn).
Institutional investors went to ground

before mid-day, and husiness slowed to a trickle. Afternoon trading was typified by orders from small private investors.

Interest picked up again late in the day, and the FT-SE 100 achieved another peak to close at 1,534.8, up 6.9. The FT Ordinary share index added 8.0 to

Chief price changes, Page 37; Details, Page 36: Share information service, Pages 34-35

AUSTRALIA

BARGAIN HUNTING among oil and mining issues, which suffered sharp falls on Tuesday, raised prices marginal ly in Sydney yesterday.

The Government's cut in domestic fuel prices continued to depress BHP, the country's largest quoted company. The group lost 4 cents to A\$8.50.

Santos, the Cooper Basin oil producer, recovered some of its 40-cent loss from the previous session to end 10 cents higher at A\$4.05. Hartogen improved 8 cents to A\$1.70 while Vamgas lost 20 cents to A\$2.10 and Moonie Oil 7 cents to

Companies which specialise in take-overs were unsettled, with Fai Insurances 30 cents off at A\$5.70, Adsteam lower by a similar amount to A\$12.20 and Bell Resources, which is making a partial takeover bid for BHP, unchanged at A\$4.50.

SOUTH AFRICA

THE EASIER move in Johanneshurg yesterday resulted from gold's inability

to hold above the \$350 level.

Among hlue-chip gold issues Randfontein dropped R2.50 to R254 while Southvaal experienced a decline of the same amount to end at R113.50. Vaal Reefs, one of the market's high-

est priced stocks, experienced one of the the mine. It lost R6 to R224.

After recent sharp gains platinums al-R30.50 and Impala 35 cents lower at

1:27:4

DRI Europe, Ltd.

The Oil Price Collapse

A SPECIAL BRIEFING by DRI Europe Ltd

The European economy is being convulsed by the most momentous change since the first oil shock in 1973. DRI Europe, the world's leading economic consulting and forecasting firm, has, as a possible scenario, undertaken to explore the likelihood and the impact of oil prices falling further to \$10/bbl. A detailed report will be prepared by a task force of specialists, drawn from our Energy, Middle East/Africa and European consulting services. Some of the issues the Special Report will address include:

European Energy Markets

- What are the implications of \$10/bbl oil for world demand/supply?
- What was the immediate cause of the fall in the oil price?
- How will the prices of substitute fuels respond?

- How much more will OPEC imports fall? How much will the Gulf States reduce their financial assets?
- What is the risk of default by Algeria, Egypt, Nigeria, Mexico, etc.?
- To what extent will cheap oil accelerate/hinder European growth? Which countries will be able to best meet the reconfigured world

As well as providing a detailed analysis of these critical issues, the report, extending to some 100 pages, will contain three-year macroeconomic forecasts covering the 16 largest European countries, the seven major economies of the Middle East/Africa and include an energy demand/supply balance for European countries, as well as our OPEC production

At a one-day briefing, to be held at the Berners Hotel, London W1, on Friday, March 7, the task force will report its findings to the study

The Report, including a place at the briefing, is available for \$6,000. (A grid of discounts is available for DRI customers.)

For further information, please contact:

Gail Gunn, Marketing Manager DRI EUROPE LTD 30 Old Queen Street, St. James's Park London SWIH 9HP Telephone: (01) 222 9571